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TUESDAY, JUNE 11, 1957

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MARGINAL COLUMN

By ARTHUR SAUL SUPER

TO the Israeli at this juncture the puzzle is not which came first, the chicken or the egg, but the absence of that commodity or the high price asked for it when it can be discovered. But the citizen of our land is not alone in his pre-occupation with the egg. Our ancestors found it a source of absorbing interest with a crop of legends all of its own. Its somewhat addled history began right back in the Garden of Eden, if legend is any authority. On the great occasion when Mother Eve offered round a taste of the forbidden fruit to all the inhabitants of Paradise the phoenix alone refused to partake and was accordingly blessed with eternal life. And what happens to the phoenix? It lives for a thousand years and then begins to shrink to the size of an egg, after which its feathers drop out and it becomes an egg indeed from which it is born again. The temptation to make the phoenix a symbol of the resurrection of the dead was too much for Rabbis and Church Fathers alike and the comparison is found in much early literature. And who shall gainsay them? The egg was not merely the symbol but the instrument of a phoenix-like rebirth of a whole section of Jewry according to a writer in this newspaper last week. For when the great German Jewish immigration from Hitler's Germany took place in the thirties many professional men, with careers shattered, with their way of life destroyed, not only rebuilt their lives but also made a goodly part of the Sharon valley fertile and fruitful by means of the farming of the humble egg.

INDEED the egg is not so humble. According to one account it was also the means of demonstrating the superiority of the boy Solomon over his father King David when it came to questions of judicial acumen. There is a story told of a man who came before King David to complain that a fellow citizen some time back had robbed him of an egg. David's zeal for speedy and effective justice often outran his discretion. He immediately made a quick calculation and reckoned that from one egg a hen could be hatched which would lay 18 eggs from each of which 18 more eggs would be produced. Therefore the theft was very serious and the restitution fixed for the unhappy man was placed at an enormous figure. As the mulcted litigant walked disconsolate from the judgment chamber he met Solomon and told his sad tale. Solomon advised him to plant boiled peas in a place where King David would see what he was doing. The monarch asked how he expected to get anything to grow from boiled peas and only then did it transpire that the egg which had been stolen was a boiled egg.

IN the time of our forefather Abraham, Nimrod seems to have been defeated by means of an egg. It appears that at a critical moment in one of the campaigns the wicked King was waging an egg suddenly cracked open and a vast river issued forth from the shell which drowned most of Nimrod's host. This only goes to show the consequences which can flow from the humble egg. In Israel today the egg is therefore understandably a problem quite apart from the embarrassment its lack is causing the housewife. That it has now reached the figure of 160 pruta officially even at Tnuva (when you can get it) might well have its repercussions on the cost of living index leading to a new rise in wages and maybe yet one more Cabinet crisis in the not too distant future. Cynics say that the scarcity or high price of eggs in Israel has its effects on the low standards of many public performers, dramatic, instrumental and vocal. Our politicians and others who rule our destinies would do well to pay more heed to what is happening to the humble egg than they seem inclined to do at the moment. For it is once more a symbol; this time of the need to plan production, to regulate prices with a little more steadiness and constancy than is being done at the moment. Subsidies go on and off with bewildering fluctuations and no method has yet been devised of preventing all sectors of our food producing industry, cooperative as well as private, from taking immediate advantage of seasonal scarcities to extort an exorbitant price from the public. We are told that one who steals an egg will have seven years bad luck and subsequently revolve in his grave. What is the penalty for those who use the egg to extort unjust and unfair gains from the innocent and defenceless citizen?

Jerusalem, June 11.

SEVEN REPATRIATING TO RUSSIA FROM U.S.

NEW YORK, Monday (UP). — Seven Russian immigrants, reported to be homesick as a result of letters urging their return, planned to leave here today on a return trip to the Soviet Union.

Italian Gov't Quits After 2 Weeks in Office

ROME, Monday. — The fortnight-old Christian Democrat Government resigned tonight after Premier Adone Zoli called a Cabinet meeting to consider the situation resulting from last Friday's vote of confidence in which the Government had been wrongly credited with a one-vote win.

Earlier, a meeting of Chamber of Deputies leaders confirmed that a miscount had occurred in the vote. This made Mr. Zoli's position politically untenable.

The Presidency Bureau of Parliament's Lower House confirmed that the votes of one Neo-Fascist and one Communist deputy against the government had been registered as abstentions. There was no suggestion of deliberate fraud, but the clerical mistake was clear.

The Government's collapse brought to an end one of the most confused chapters in Italian parliamentary history. In both Houses the Cabinet, formed only of Christian Democrats, was supported by the neo-Fascists and allied Monarchists.

In a first confidence vote in the Senate, Mr. Zoli did not specifically reject any of the right-wing votes. Later, in the Chamber of Deputies, on the strength of profound unreasiness displayed by his own Christian Democrat Party, he declared that he would not accept the neo-Fascist votes.

(Reuter, UP)

France May Get New Government Today

PARIS, Monday (UP). — Defence Minister Maurice Bourges-Maunoury brought France's government crisis near an end today and said he would seek Assembly support in his bid for the premiership "as soon as possible," probably today or tomorrow.

He made the announcement to newsmen after a brief meeting with President Rene Coty shortly after noon.

The announcement came only minutes after the French Minister Resident in Algeria, M. Robert Lacoste, confirmed that he would remain in any new Cabinet formed by M. Bourges-Maunoury.

Stormy Mapai Meeting On Ata Dispute

Jerusalem Post Reporter

TEL AVIV, Monday. — Mapai leaders sat well into the night at a stormy meeting of the Party's secretariat held to discuss the Ata strike. Present were the Prime Minister and most other Mapai Ministers.

There were heated exchanges between Ministers and other members of the Secretariat on the one side and Haifa labour leaders on the other. Mr. Y. Almogi, M.K., Secretary of the Haifa Labour Council, spoke for over an hour in an attempt to justify the strike on grounds of principle as well as claiming that the workers' demands were proper.

Another member of the Haifa Labour Council sharply attacked the Party Secretary-General, Mr. P. Lavon, for his stand at the last Histadrut Executive meeting, when he refused to express solidarity with the strikers on the grounds that it was not within the Executive's jurisdiction. The speaker suggested that a compromise should be devised to settle the strike, but firstly the Ata workers should be made to feel that there was understanding and support for their case.

At press time, the meeting was being addressed by the Minister of Labour, Mr. Namir. The Prime Minister was scheduled to be the next speaker.

(Early story — Page 3)

Upset Stomach Keeps Eisenhower in Bed

WASHINGTON, Monday (UP) — "An upset stomach" kept President Eisenhower in bed today. The White House said he was responding to treatment "very satisfactorily."

Doctors attributed the attack to something the President ate last night. Blueberry pie was suspect.

The President became ill last night and vomited three times. Press Secretary James C. Hagerty said, however, he had had "no nausea."

Management of Bank Leumi

It is now expected that Mr. J. Foerder, the Progressive Party Knesset member and Director of Rassco, will be appointed Vice-Chairman of the Board of Governors of the Bank Leumi, whose Chairman is Mr. S. Hoofien.

The management of the Bank's business is to be undertaken jointly by Mr. D. Israeli, Dr. S. Saalheimer and Dr. E. Lehman, former Deputy Managers, in succession to the late Mr. A. Barth.

Israel's Chief of Staff, Rav-Aluf Moshe Dayan, right, and UNEF Commander, Maj.-Gen. E.L.M. Burns, left, emerge from their meeting at Ashkelon yesterday.

Photo by Glaser

Dayan and Burns Agree On Need to Curb Infiltration

ASHKELON, Monday. — "General Dayan and I agreed that we would like more effective means of preventing infiltration from the Gaza Strip," declared Major-General E.L.M. Burns, Commander of the U.N. Emergency Force, after an hour-long meeting here today with Rav-Aluf Moshe Dayan, Chief of Staff.

The meeting was held in a bungalow of the Dagon Hotel.

"We are most concerned, of course, about the recent mining incidents," Gen. Burns added. He admitted that the perpetrators had not been apprehended.

Pressed to say whether he and Rav-Aluf Dayan had come to any agreement as to what steps should be taken, Gen. Burns smiled and said, "I can only say that General Dayan and I agreed that we would like the means to be effective." He refused to disclose what methods were discussed, saying that publicity might reduce the effectiveness of the action to be taken.

(Later, U.N.E.F. Headquarters in Gaza, stating that the Ashkelon talks dealt with the possibility of constructing the fence, added that this was one of the measures discussed to increase the effectiveness of protection against infiltration into Israel territory "which is forbidden by Egyptian regulations.")

UNEF Cars Blown Up

Gen. Burns said that during the month of May, UNEF vehicles had been blown up by mines planted by *fedayeen*, although no casualties had been suffered. He said that the Egyptian authorities were cooperating in the search for means of preventing the attacks, although he would not say what methods were being discussed with the Egyptians.

The question of the barbed wire fence agreed upon by Israel in April was raised in the course of today's discussion, Gen. Burns added. He observed that this scheme had never been opposed by Israel.

Asked whether the security zone suggested by Mr. Hammarskjold had been discussed, Gen. Burns said that it had not, as Israel had refused to agree to such a no-man's-land including part of her soil. He added, however, that the plan had not been discarded.

Egyptian complaints that Israelis had crossed the line were discussed, the UNEF Commander disclosed; Rav-Aluf Dayan had replied that this was against Israel policy and would certainly be stopped.

The Chief of Staff answered all correspondents with a smile, a shrug and the suggestion that they address their questions to Gen. Burns.

Gen. Burns arrived from Gaza by car at 9.20 a.m. and waited in the bungalow together with members of his staff — Lt. Col. Lindquist of Sweden, Major Austin of New Zealand and Major Mackinnon of Canada. Rav-Aluf Dayan arrived at 10.10 a.m. accompanied by Sgan-Aluf Eliahu Ze'ira.

PROPOSAL IS NEW

Our Diplomatic Correspondent adds: Gen. Burns' reported remark that Israel had refused to agree to the establishment of a security zone on her side of the Gaza Strip border caused some surprise in official circles in Jerusalem last night.

They pointed out that when the proposal of a 700-metre zone was suggested it was not said that it would extend into Israel. Therefore, say these sources, the idea of its crossing into this side of the line is considered to be new. Any such suggestion would meet with considerable opposition, it is thought.

The discussions centred almost entirely around the construction of the fence, and it is understood that a certain amount of progress is being made towards putting up the barrier.

Talks were limited to the military sphere.

Rav-Aluf Dayan later reported to Defence Minister Ben-Gurion in Tel Aviv.

Arab League Gives Refugees £20,000

Abdul Khalek Hassouna, Secretary-General of the Arab League, arrived in Gaza yesterday and conferred with the Egyptian Governor, Hassan Abdul Latif, United Press reported.

Hassouna delivered a cheque for £20,000 from the League for the municipalities of the Strip, and later visited refugee camps.

The Secretary-General will shortly visit Jordan and Saudi Arabia.

Knowland Urges Dulles To Test Khrushchev's Plan

WASHINGTON, Monday (Reuter). — Republican Senator William Knowland, the Minority Leader in the Senate, said on television here last night he had sent a letter to Mr. John Foster Dulles, the Secretary of State, suggesting that a troop withdrawal proposal made by Mr. Nikita Khrushchev, the Soviet Communist Party Secretary, should be put to the test.

In his television interview Mr. Khrushchev said the Soviet Union was willing to withdraw its troops from East Germany, Poland, Hungary and Rumania if the West withdrew foreign troops from their present bases in Europe.

"Here's a chance to test Soviet good faith," Senator Knowland declared.

Under such a test the Soviet Union should withdraw its troops from Hungary where the Soviet-backed Kadar Government would not "last a day or a week if Soviet troops were withdrawn," he added.

The Senator said Mr. Dulles had not yet replied to his letter in which he suggested a neutralization of Norway in exchange for the Soviet withdrawal from Hungary and free elections in that country.

Should Norway agree to her neutralization she might join a "Baltic States neutral bloc," Senator Knowland added.

If the Hungary-Norway plan were successful it might be followed by a similar arrangement regarding Poland and Greece.

Dulles: No Reliance On Soviet Pledges

WASHINGTON, Monday (UP). — Secretary of State John Foster Dulles said today that the U.S. will never disarm "merely because of Soviet promises" to behave.

Reports from London, meanwhile, said Allied reservations were reported today partly responsible for the delay in framing the U.S. latest "first step" disarmament plan.

Britain, skeptical of Russia's intentions, fears that a hasty disarmament arrangement with the Soviet Union might play into the hands of the Kremlin in the East-West conflict. Germany's chief concern is to avert a commitment which might shelve indefinitely German unification, diplomatic sources said.

These Allied hesitations were believed to have been among the topics to be discussed by the U.S. disarmament chief, Mr. Harold E. Stassen, in Washington.

President Eisenhower's special adviser on disarmament was expected to consult anew with the Allies on his return this week, before presenting the new American partial-measures disarmament project to the five-power subcommittee.

While endorsing the U.S. approach in principle the British line favours more "soul searching" before entering into a commitment with Moscow.

Israel Rejects Saudi Plaint On Gulf Incidents

NEW YORK, Monday (Reuter). — Israel today rejected Saudi Arabian allegations that her warships had fired on coastal positions in the Gulf of Akaba and threatened Moslem pilgrimage routes to Mecca and Medina.

Delegation sources said Mr. Mordechai Kidron, Israel permanent representative at the U.N., had sent a letter to the Security Council stating that his country's use of the Gulf would in no way interfere with pilgrims.

Saudi Arabia has protested to the Council four times in recent weeks about alleged Israel "aggressive" acts.

The letter pointed out that the Israel naval forces are under "strict instructions not to violate the territorial waters of Saudi Arabia and not under any circumstances to attack other vessels or coastal positions." Israel aircraft are under similar strict orders, it added.

Israel's policy, the letter pointed out, is to contribute to the maintenance of peace and tranquility in these waters.

Israel regrets that the Saudi Arabian Government should have seen fit to "inject a religious issue" by stating that the alleged aggressive acts occurred in the routes of the Moslem pilgrimage to Mecca. On the contrary, it stated, Israel has already declared her desire to place all possible facilities at her disposal, as recently stated by Foreign Minister Golda Meir.

NOTE NOT CONFIRMED

The Foreign Ministry spokesman would neither confirm nor deny a Press report appearing yesterday that Israel had sent a communication through a third party to King Saud concerning the pilgrimage to Mecca which is now in progress.

The communication was said to have been sent from Jerusalem to Washington last week with the request that it be relayed to Riadh.

At the time the communication was passed on, Saudi Arabia was complaining at the U.N. about Israel ships firing at the Saudi Arabian coast.

The document was reported to be similar in content to the interview broadcast by Mrs. Meir over Kol Yisrael on May 28. In that interview she offered Israel's facilities at Eilat for the Moslem pilgrims and asked that Israel Moslems be permitted to go to Mecca.

Khrushchev On Smiles and Frowns

LAHTI, Finland, Monday (UP). — The Bulganin-Khrushchev tour hit the provinces today for the first time, getting the biggest reception yet on the visit that started last Thursday.

Some 20,000 persons jammed the edges of the market square in this industrial city of 60,000, cheering and waving at the party that drove in from Helsinki.

"We know when to smile and when to frown with anger," said the Communist Party Secretary, Mr. Nikita Khrushchev, who spoke without notes and warmed up as he went along. "We are people who can not only smile, we can also frown with anger, we can be talkative and we can keep silent like the Finns. If we smile it comes from the bottom of our hearts and expresses a genuine feeling."

He then complimented the Finns, and particularly their fighting spirit. "The Finns are also friendly, but when it comes to fighting they fight very well," he said. "We have experienced that ourselves. May God grant that it does not happen again. Let us now fight for peace, let us join force for eternal and indestructible peace and friendship."

Earlier he expressed disagreement with Prime Minister Bulganin, who had said he was "pleasantly surprised that the Finns are a friendly people."

"I disagree with Bulganin," Mr. Khrushchev said. "We always knew that the Finns are friendly and warm-hearted people. The fact that they do not talk much does not mean unfriendliness." Bulganin had thanked the people and Mayor of Lahti for the reception, at which the key to the city was presented.

Russia Said Seeking To Neutralize Baltic

HELSINKI, Monday (Reuter). — Russia has asked Finland to support a plan to neutralize the Baltic Sea, diplomatic circles said here today.

The report said that Marshal Bulganin and Mr. Khrushchev had proposed that Finland join the Soviet Union, Sweden, Denmark, Poland and East and West Germany in a treaty under which they would cooperate in closing the Baltic to all belligerent shipping in the event of war.

AFTER MIDNIGHT

The Yemen Government has refused to accept the Eisenhower Doctrine for the Middle East and offers of American aid as brought by a 10-member U.S. mission to the Yemen led by the American Ambassador in Saudi Arabia, Cairo Radio reported.

Jordan-Egypt Tension Soars As Each Accuses Other of 'Plots'

Opposition Heavy Loser in Lebanon

Lebanese opposition groups united in the recently formed National Front, suffered a severe defeat in the elections held on Sunday in the Beirut and South Lebanon electoral districts, where their candidates won only four of the 22 contested seats.

Among the defeated candidates are the two opposition leaders, Abdullah Yafi and Sa'ib Salam, both former Premiers and Premier Sami Solh's possible rivals for the Moslem-held Lebanese premiership. Solh himself chose to challenge Yafi in the latter's own constituency, which is considered an opposition stronghold. He won by 19,098-16,270 votes.

Independent Win 3

Independent candidates captured three seats and the remaining 15 went to supporters of the present Government. In the Beirut district only one government candidate, Ghassan Tweini, lost his seat to an opposition member, Nasim Majdalani.

Sunday's voting covered two out of the five electoral districts into which the country is divided, and it decided 22 out of the 66 seats of the House — 11 for Beirut and 11 for the southern district.

Voting for the remaining 44 seats will take place in the remaining three districts on June 16, 23 and 30.

(Beirut & Cairo Radio)

'TIMES': B-G's HAND IS STRENGTHENED

LONDON, Monday (INA). — "The Times" editorially pointed out today that "while the Arab rulers are exchanging visits, Mr. Ben-Gurion's policy appears to be to keep as quiet as possible."

It added that charges of Israel "aggression" in the Gulf of Akaba are hardly convincing: "A modest number of ships have no doubt been using the port of Eilat. But it is most in the interests of Israel to see that traffic up the Gulf of Akaba is kept unprovocative in the hope that maritime trade with East Africa may become accepted as a routine affair."

Israel's hopes are focussed on this expanding trade. Naturally, if the Suez Canal route was open this traffic would be "enormously eased." But the Israel Government has not given up the idea of trying to send a test ship, it stated.

It declared that Mr. Ben-Gurion's hand for dealing with this and other questions had been strengthened by the debate in the Knesset on the Eisenhower Doctrine, where his "logical pleading carried conviction."

Gaza Marauders Driven Back

An Israel patrol drove a number of infiltrators across the Gaza Strip border at about midnight on Sunday, the Army spokesman announced yesterday.

The marauders had crossed into Israel territory and were heading for Be'eri when they were encountered by the Israel patrol, which opened fire.

Our Beersheba correspondent reports:

Infiltrators from the Gaza Strip stole four barrels of Diesel oil, valued at IL200, and 444 metres of irrigation pipe, valued at IL472, from Kibbutz Kisufim during the past weekend. Tracks of four men were found leading to the Gaza Strip border.

Syrian 'Neutralism' Firm, U.S. Told

Syria will never deviate from the policy of "positive neutralism" which she chose for herself, Premier Sabri Assali of Syria told the American Ambassador yesterday, according to Cairo Radio.

The radio reported Assali as saying that a policy of pressure against Syria will result only in making her more adamant in her stand.

The meeting lasted two hours. Among the subjects discussed were the Israel-Arab dispute, the possible repercussions in the event Israel attempts to send a ship through the Suez Canal, and the construction of the Israel bridge in the Hula area.

Political quarters in Damascus described the talks as important.

Later Assali received the Iraqi envoy for what was described as an "exchange of information."

Nasser Continues Talks With Syrian President

The Egyptian leader, Gamal Abdul Nasser, visited Syria's President Shukri Kuwatly at the Moassat hospital in Alexandria yesterday to inquire about his health, according to Cairo Radio.

Abdul Nasser later met the Saudi Arabian Chargé d'Affaires, who also saw the Syrian President together with the Syrian Ambassador, Cairo Radio added.

The subject of the talks was not disclosed. Kuwatly arrived in Egypt last Friday for a "medical check-up," and had already conferred with the Egyptian leader in Cairo.

Earlier reports spoke of Kuwatly's threatening to resign and go to Egypt to settle in Alexandria, where he still wons the house in which he spent his exile after being expelled from Syria in 1949 by Husni Za'im.

(Damascus Radio, UP)

Anti-Rebel Drive Intensified As 17 Killed in Algiers Terror

PARIS, Monday (Reuter). — The French Residing Minister in Algiers declared today that he had ordered the army and police in Algeria to increase "and stiffen the fight against the rebellion" following last night's bomb attack in an Algiers dancehall in which 10 Europeans were killed and 80 wounded, and today's 31 clashes in the city which claimed another seven lives and 25 injured.

In Algiers, Gen. Salan, the French commander, in an order of the day, announced, "There shall be no rest until we have battered down the rebels."

Yesterday's timebomb blast in the orchestra pit of a cliff-top dancehall reintroduced tension in Algiers. Police reported that a number of Moslems were injured in clashes with Europeans. Police detained 300 Moslems for an identity check.

Work Stoppage

Pamphlets urging Europeans to stop work tomorrow morning were distributed today.

The casino, overlooking the sea, is a favourite Sunday dancing place for European shopgirls, typists, and clerks. The explosion cut in half the 35-year-old French conductor of the "Lucky Starway" orchestra. The singer Josy Ley had her head blown off. There were 500 persons in the hall when the bomb went off.

Relatives and friends of the victims and onlookers crowded outside the doorways of clinics last night. The atmosphere in Algiers was tense. All Moslems had cleared off the streets. Anxious grim-faced Europeans stood in doorways in the almost deserted streets watching steel-helmeted soldiers on patrol.

Patrols were intensified and military police reinforcements were also out on the streets. A Foreign Legionnaire was shot dead on the outskirts of the Casbah yesterday evening and the authorities feared his comrades might make a punitive raid.

Police said last night that the man who placed the bomb was identified as a Moslem waiter who had lived on the premises for three years. He fled before the explosion. During the evening army lorries drove about the city picking up Foreign Legionnaires on leave and taking them back to barracks.

The victims of yesterday's bomb attack are due to be buried tomorrow, and angry demonstrations by Europeans are feared.

Begin Demands Historic Borders

TEL AVIV, Monday. — An enlarged homeland within its historic borders, populated with many communities, was called for by Mr. Menahem Begin, M.K., Herut and World Betar leader, at tonight's festive opening of the 7th World Conference of the Betar Movement in the Habimah Theatre.

He was speaking before hundreds of party members and the dark-blue-shirted 71 delegates of World Betar, including 24 Israelis, representing 6,000 members all over the world.

The conference was opened with a military ceremony of the presentation of flags, and a tribute to the fallen. The Acting Mayor, Rabbi Y. Abramowitch, brought the greetings of Tel Aviv. Herut Knesset Members S. Junitchman, J. Meridor and E. Shostak also spoke.

The conference is to continue in Moshav Nordia, near Natanya, from tomorrow until Friday.

Both Capitals Expel Envoys

Tension soared anew in the strained relations between Egypt and Jordan yesterday, when the Egyptian Government demanded the immediate recall of the Jordan Ambassador to Cairo in retaliation for the expulsion by Jordan on Sunday night of the Egyptian Military Attache in Amman, Col. Fuad Hilal, and the Egyptian Consul-General in the Old City, Mahmoud Abdul Aziz.

The two arrived in Cairo yesterday.

Later last night, Cairo Radio announced that Egypt had recalled her representative to the Egyptian-Syrian-Jordan Joint Army Command which was created last October, and had its headquarters in Amman.

An Egyptian Government statement broadcast over Cairo Radio last night accused the Jordan Government of engineering a plot against the Egyptian Attache. It said that this was done to provide an excuse for his recall and that of the Consul-General.

Ramallah Radio reported that the Jordan envoy in Cairo, Abdul Mun'im Rifa'i, is expected to arrive in Amman today.

Jordan Communique

An official communique issued by the Jordan Press Department in Amman referred to a report broadcast by Cairo Radio earlier on Sunday. This report said that a Jordan citizen had contacted the Egyptian Military Attache in Amman on Saturday and submitted to him "some suspicious proposals."

The man was detained at the Egyptian Embassy and was then handed over to the Jordan authorities together with "written and recorded confessions" as to his intentions, the Cairo report had added.

The Jordan version differs totally from Cairo's. The official communique stated that the Egyptian Attache two days previously contacted a Jordan citizen and asked him to carry out "criminal acts aimed at the assassination of some official personages in Amman." The Attache is said to have offered "various material and moral temptations" and promised to furnish the arms necessary for carrying out the plot.

The Jordanian promptly contacted the security authorities and told them what had been arranged between him and the Attache; he also surrendered the arms he received from the latter.

Involved in Plots

After investigating the matter and establishing that the Egyptian Attache was involved in this and other conspiracies designed to disturb public order, "a thing which totally contradicts accepted procedure," the authorities were compelled to ask the Egyptian Embassy to recall the Military Attache from Amman, the communique said.

"El Jihad" reported yesterday that the Jordan authorities had asked the Egyptian Government to recall its Consul-General in Jerusalem "for reason of public security."

Earlier, the Beirut daily "El Hayat" had reported that the Consul-General, together with his whole staff" participated in an anti-Hussein demonstration in the streets of the Old City on April 24 this year.

Saud and Hussein Open Talks Today

Formal discussions between King Saud of Saudi Arabia and King Hussein will open in Amman today, although preliminary talks were conducted in the past two days, according to Baghdad Radio last night. The conference will continue for the remaining three days of Saud's stay in Jordan.

Saud and Hussein yesterday observed army manoeuvres "somewhere in Jordan" in which Saudian forces stationed in Jordan joined the Arab Legion.

Later in the day they attended a graduation ceremony of Jordan army officers. King Hussein addressed the ceremony, calling his guest "a brother who was with us during our difficulties."

In a thinly veiled reference to Egypt and Syria, who have not yet paid their share of the aid promised Jordan in the Arab Solidarity Pact last January, Hussein referred to Saud as the one "who honoured his obligations where others did not."

The Arab News Agency yesterday reported that an economic accord between Jordan and Saudi Arabia is being drafted which will outline economic relations between the two countries.

Among the provisions are the sale of Jordan agricultural produce in Saudi Arabia, and measures to facilitate increased Saudi Arabian investments in Jordan.

(Ramallah, Baghdad Radios)

IRAQ-SAUDIA WATER PIPELINE PLANNED

BAGHDAD, Monday (Reuter). — The Iraqi Government agreed yesterday to a Saudi Arabian request for cooperation in constructing a pipeline to carry water from the Shatt el Arab river in south Iraq to Riadh, capital of Saudi Arabia.

Official sources said Saudi Arabian technicians are expected in the Basra area. The project involves the construction of water storage tanks and pumping stations as well as the pipeline.

Rafael Appointed Envoy to Belgium

Jerusalem Post Reporter

Mr. Gideon Rafael, Counsellor of the Foreign Ministry, was yesterday named Israel's new Minister to Belgium and Luxembourg, replacing Mr. Yosef Ariel. Mr. Rafael will take up his new assignment next month.

Born in Germany in 1913, Mr. Rafael studied law and economics at the University of Berlin. He came to this country in 1934 and joined a kibbutz. In 1945 and 1946 he served the Political Department of the Jewish Agency in Europe in connection with war crimes cases and the return of Jewish property to victims of Nazism. In 1947 he served on the Jewish Agency delegation to UNSCOP.

From 1948 to 1953 he served as a member of Israel's delegation to the U.N., and among other tasks he was Israel's representative to the Conciliation Commission and rapporteur of the Peace Observation Commission.

In 1953, Mr. Rafael was appointed Counsellor in charge of Middle East and U.N. Political Affairs. From November to March he was again at the U.N. in the Israel delegation.

DAMASCUS TO HONOUR NEHRU

Prime Minister Nehru will be named an honorary citizen of Damascus at an official ceremony in the Syrian capital on Friday, when he is expected to arrive on an official visit, ANA reports from Damascus.

I Gets Death in Cairo; Other Verdicts Held Up

CAIRO, Monday (Reuter). — The spy trial here was today postponed until June 22, except for one of the Egyptian accused, Amin Mahmoud, who was sentenced to death.

Among the postponed cases were those of the four Britons accused.

But Moscow Radio claimed today in an Arabic broadcast that one Briton, James Swinburn, was condemned to death and three were sentenced to life imprisonment.

U.S. Aid for Iraqi Highway to Turkey

An agreement was signed in Baghdad yesterday between Iraq and the U.S. in which the latter undertakes to furnish technical aid in building a highway to Turkey, Baghdad Radio announced last night.

According to the agreement, aid will also be given for construction of a wireless network servicing Iraq, Iran, Turkey and Pakistan.

The Citrus Marketing Board for Israel

announces that

from June 15, 1957,

its new telephone numbers in Tel Aviv are

82291-2-3-4-5

Social & Personal

The President yesterday received Mr. Frederick Mann, Chairman of the Board of the American-Israel Cultural Foundation, and Mr. Isaac Stern, the violinist. Mr. Mann and Mr. Stern were also received by the Prime Minister and by the Foreign Minister and were the guests of the Minister of Justice and Mrs. Rosen at lunch yesterday at the Eden Hotel.

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Mr. Michael Stewart, British Labour M.P., visited the Hebrew University yesterday.

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Mrs. Manya Brodetsky, honorary vice-president of Wizo in Great Britain and Ireland, was the guest of honour yesterday at a luncheon given by the Tel Aviv Wizo Club.

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The Tel Aviv-Jaffa Dental Association has elected the following officers: Dr. N. Ben-Bassat, chairman; Dr. S. Amarant, vice-chairman; Dr. A. Sarnat, secretary; Dr. A. Roth, treasurer; and a committee consisting of Drs. E. Bron, A. Goldmann, M. W. Woldenberg, Y. Seidner, A. Mayer, M. Mishory, and Katanton-Sluchin.

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BIRTH

RYCUS — To Violet and Jacob Rycus, at the Municipal (Hadassah) Hospital, Tel Aviv Kirya, on Monday, June 10, a daughter, sister to Avigail.

President Attends Rothschild Memorial

The President on Sunday night attended a memorial meeting for James de Rothschild, held under the auspices of the Hebrew University in Canada Hall, on the occasion of the 30th day after his death.

Eulogies were delivered by the President of the University, Professor B. Mazar, its Vice-President, Professor M. Evenari, the Governor of the Bank of Israel, Mr. D. Horowitz, and Dr. Y. Yadin, Lecturer in Archaeology and head of the University's James de Rothschild Expedition at Hazor.

Sreberek, Veteran Publisher, Dies

TEL AVIV, Monday. — The death occurred today, after a protracted illness, of Yosef Sreberek, one of the country's veteran publishers. He was born in Pastov, Russia, 60 years ago, and came to this country in 1914. He left for the U.S., returning as a member of the Jewish Legion.

He helped to found the now defunct Tarbut and Mizpeh publishing houses, later publishing on his own, his chief work being children's books and an Israel Encyclopaedia. He was an active member of the Hagana. The funeral cortege will leave his home, 16 Rehov Balfour, at 1.15 p.m. tomorrow (Tuesday).

Poland Gamble Worth Taking—Nixon

LANSING, Michigan, Monday (Reuter). — Vice-President Nixon said last night that it was "a gamble worth taking" to give economic aid to Poland in the hope that the Poles would turn away from Communism.

In a speech prepared at Michigan State University, Mr. Nixon said that while Poland remained a Communist country, the people had shown increasing determination to follow a course independent of Russia.

"In response to that popular sentiment the leaders of the Polish Government have been trying to soften the features of Communism that do the most violence to human nature. The churches of Poland have much greater freedom than in the past and the Cardinal Primate of Poland is allowed not only to exercise his function but to leave the country at will," he said.

Mayflower II Nears American Shore

PLYMOUTH, Monday (Reuter). — Mayflower II has ridden out the worst gale of her seven-week voyage across the Atlantic from Britain and is expected here tomorrow if the weather holds and the tide is favourable.

Throughout Saturday night under bare masts Mayflower II rode out an Atlantic storm in the face of waves 20 feet high.

But last night the Coast Guard escort for the tiny replica of the original Pilgrim Fathers' ship reported her bowling along at five knots only 85 miles south of Nantucket Island.

First shore-to-ship contact is understood to have been made early yesterday when Mr. John Lowe, one of the English sponsors of the project, went out and boarded the tiny ship.

Mr. Lowe went to brief Commander Alan Villiers, her Australian master, on the final arrangements for the reception here.

LAW REPORT

The Jerusalem Post June 11, 1957

In the Supreme Court Sitting as High Court of Justice

Before Justices Goitein, Landau and Witkon

Madar Shlomo Shalom v. Bat Yam Local Council (H.C. 192/56).

Local Council's Decision To Levy Taxes Must be Based On All Relevant Considerations

The High Court made absolute an order nisi calling on the respondents to show cause why they should not withdraw their demand for IL316 property tax for the year 1956/57 from the petitioner.

The petitioner, Mr. Shalom, was one of the first residents to have settled in Bat Yam, where he has a house surrounded by a garden and fruit trees which together occupy about 1,600 square metres of land.

In accordance with the provisions contained in orders 73, 74 and 75 of the Local Councils Order (A), 1950, as amended in 1954, the Bat Yam Local Council may levy an annual property tax on the property-owners in its jurisdiction in the following manner: on vacant building sites a property tax of four per cent of the market value of the site; on buildings, occupied sites and agricultural land, 25 per cent of the rent received for the property, or of the rent which could reasonably be expected to be received for the property were it leased. A "building" is defined as including the land on which it stands, plus a certain area of land if used as a yard or garden attached to the building, the whole area not to exceed 500 square metres, plus an extra 250 square metres, which is tax-free. In addition the Order provides that if land not exceeding two dunams which is used for an orchard or for other agricultural purposes, is situated in a residential or commercial district, then the assessing committee attached to the Local Council may nevertheless regard it as a building site, depending on the state of its development, and may tax it at the higher rate.

Mr. Shalom's property was consequently taxed at the rate of 25 per cent of the presumed rent for 500 square metres, 250 square metres were exempted from tax, and the remaining 800 square metres were declared to be a "building site" and taxed at four per cent of the market value.

He objected to this latter levy claiming that the Local Council's reasons for declaring the residue of his property to be a building site as opposed to agricultural land were invalid, as could be gathered from the minutes of the Council meeting, at which — so he claimed — the Chairman of the Council, Mr. Ben-Ari, had attacked owners of large tracts of land as being speculators whose land was not properly exploited and was a source of nuisance to the Council and who, in addition, did not even pay the usual taxes.

This was not a purely fiscal reason based on the need for collecting taxes on a fair basis of distribution, the petitioner claimed, but a social-economic reason which was invalid for purposes of taxlevying. And, in addition, the Chairman's reason for demanding that the land-owners pay a higher tax was in direct contradiction to the principles of agricultural settlement advocated by the co-operative society of which the petitioner is a member and also a direct insult to the old-established residents who had faithfully adhered to this principle.

The petitioner was granted an order nisi on December 12, 1956.

On the Return Day Mr. Fisheley appeared for the petitioner and Mr. Yehiel for the respondents.

Judgment

Justice Witkon, who delivered the judgment of the High Court, said that every fiscal decision is of necessity bound up with the requirements of the budget, with the need for just and fair distribution of the burden of taxation, and with considerations inspired by economic and social conditions, it being unnecessary in the present case to expand on the relative merits and weight to be attached to each of these factors. Therefore, the petitioner's argument that every economic or social consideration is per se invalid is unacceptable. And, in addition, the Order itself empowers the Local Council to levy taxes on the basis of that self-same economic consideration which actually motivated the Council, that is, the desirability of encouraging owners of large plots of land to parcel and develop their land.

However, Justice Witkon continued, the social-economic consideration which moved the respondents to impose a higher tax on the petitioner, while not invalid in itself, is nevertheless invalid in the present case, since from Mr. Ben-Ari's evidence before the court it would appear that this was the only consideration behind the Council's decision, to the exclusion of the other two factors enumerated above. A local council may not exploit its powers to levy taxes for the sole purpose of attaining some economic goal when it cannot at the same time justify the levy for budgetary purposes and by the need for instituting a fair and equitable distribution of the burden of taxation upon the local populace.

For this reason, Justice Witkon held, the Council's decision to tax the petitioner at the higher rate should be overruled. This, however, may bring no ultimate remedy to the petitioner since there was nothing to prevent the Council from reconsidering the question, in the light of all the necessary factors, and then arriving at the same conclusion — which would then be perfectly valid. But the High Court, he continued, nevertheless felt it incumbent upon itself to overrule the existing decision of the Council in order to emphasize that it is not sufficient for it to be possible — in theory to justify a fiscal decision on the grounds of all the necessary considerations; the main requirement is that the Council itself should actually take account of all the necessary considerations before reaching a decision.

Justice Witkon then concluded with a hint as to how the tax might be lightened for residents such as the petitioner if the Local Council should nevertheless reconfirm its decision. The assessment committee, he said, might find it possible to decide in certain individual cases, in view of the existing circumstances, that the land adjoining the houses and gardens be regarded as agricultural land instead of building sites — in which case a lower rate of taxation would operate.

Order nisi made absolute. Respondents ordered to pay IL100 costs.

Judgment given on May 21, 1957.

GALER. — The Yugoslav Navy training ship Galeb, which is on a Mediterranean cruise, has arrived in Alexandria on a friendly visit to the Egyptian Navy.

Body of Frogman Thought Found

CHICHESTER, Southern England, Monday (Reuter). — The headless body of a man believed by police to be that of a frogman was washed up last night on a sandbank at the mouth of Chichester harbour.

This was about 10 to 15 miles from Portsmouth where Commander Lionel Crabb, a wartime Royal Navy frogman, disappeared in April last year during a visit by Russian warships.

The body had apparently been in the sea for a considerable time. It was taken to Chichester mortuary and police informed the Admiralty immediately.

Equipment attached to the body led the police to believe that the wearer was a frogman. An Admiralty spokesman said, "We shall give whatever assistance we can towards identifying the body later today."

War Veteran

Commander Crabb, 46, one of the first of the Royal Navy's frogmen in the last war, disappeared after trials with underwater apparatus near Portsmouth on April 19, 1956. At the time, the Russian cruiser "Ordzhonikidze" lay in Portsmouth harbour, having brought the Soviet leaders, Marshal Nikolai Bulganin and Mr. Nikita Khrushchev, to Britain.

Questions were asked in the House of Commons and a Soviet note was sent complaining that a frogman, apparently Commander Crabb, had been seen near the Russian warships.

A reply was sent by the British Government expressing regret for the incident.

The then Prime Minister, Sir Anthony Eden, told the Commons that what was done was "without the authority or the knowledge of her Majesty's Ministers."

Congressman Advises Halt to Big Tests

WASHINGTON, Monday (Reuter). — Mr. Chet Holfield, a Democrat who heads a joint Congressional subcommittee studying the dangers of nuclear fallout, said yesterday the U.S. should stop testing big nuclear weapons.

Tests of weapons with the force of a million tons of T.N.T. or more should be halted but the U.S. should be ready to resume them within 90 days if another nation tested such a weapon.

APPEAL FOR OLD HOCKEY KIT

Army officers are leading an attempt to revive a once very popular sport in the country — hockey. Two boys' teams are being formed at Zahala, but they are badly in need of the necessary kit.

Owners of old hockey sticks, balls, and leg guards, can help in rebuilding the sport in this country by contributing them to the enthusiasts. Contact Yoram Fried, Zahala, House 507 (Tel. 72932) who will arrange for collection.

Where to go

JERUSALEM

• **Exhibitions:—**
Permanent exhibition at the Department of Antiquities, 26 Rehov Shlomo Hamelekh. New rooms: Prehistory and Israelite period. Educational exhibit: How to arrange small local collections. Special exhibits. New finds from tombs excavated in Jerusalem and from Tell Malahha, 9-1, 3-6.

Conquest of the Desert. Permanent Exhibition. Daily from 10-1, 4-6. On Friday from 10-1 only. Closed on Saturday.

1) Chagall's Etchings and Old Master Graphics on Old Testament themes; 2) Louise Schatz—32 watercolours; 3) Persian Miniatures. Bezalel, 9-1, 3-6.

1) 70th Anniversary Exhibition of Jacob Steinhardt and the sculptor Jacob Lowy. 2) Paintings by Erich Brauer in the Jerusalem Artists Gallery, Artists House, 10-1, 4-7.

• **Tours:—**
Hebrew University Conducted Tour, 10 a.m. Administration Bldg., New University Campus. (Conducted tours in Hebrew Sundays and Thursdays, 11 a.m.)

• **Film Shows:—**
Israeli Films, daily Kereń Hayesod Hall, 11.30 a.m.

"Grapes of Wrath." Menora Officers Club, 8.30 p.m.

• **Lectures:—**
Prof. Y. Leibowitz, on "Autonomy of Life." Beit Ha'am, 8 p.m.

Mr. Y. Mayos, on "Notes on a Political Mission in Europe," Tzavta Club, 8.30 p.m.

• **Recorded Music:—**
Municipal Park, Rehov King George, 6 p.m

• **Theatre:—**
Camerl, "Yerma." Edison, 8.

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• **Exhibitions:—**
1) Paintings by Genia Berger. 2) Copper Reliefs by Arie Meyer, 3) "The French Book Exhibition." Museum, 10-1, 4-7.

• **Film Club:—**
Z.O.A. House, 9.15 p.m. — "The Emperor's Nightingale" — Puppet Film.

• **Theatre:—**
Camerl, "Dream Girl." New Hall, 8.30.

HAIFA

• **Exhibitions:—**
Works by: Chagall, Soutine, Modigliani, Pascin, Kisling. Museum, Town Hall, 10-1, 4-7. Fortnightly exhibit: Composition by Ella Raayoni.

• **French Singing Ensemble:—**
"Les Compagnons de la Chanson." May.

EICHRON YAACOV

• **Theatre:—**
Dajgan and Schumacher, "Yonter in der Woche." Shomron.

BEERSHEBA

• **Theatre:—**
Camerl, "No Time for Sergeants." Keren, 8.30.

ON THE AIR

FIRST PROGRAMME
422, 249, 33.3 & 49.9 M.

News: Hebrew: 6.30, 7.00 a.m. 1.30, 5.00, 7.00, 9.00, 11.00 p.m. **English News:** 1.45 p.m. **French:** 2.00 p.m. **Arabic Programme** (including News): 7.30 a.m. 2.15, 6.00 and 11.05 p.m.

6.30 a.m. Service. 6.37 Exercises. 6.47 Musical Clock (R). 8.30 Close Down.

12.00 Light Music. 12.40 Vocal Recital by Shoshana Foxany (Soprano). 1.00 Lunchtime Music. Luciano Tajoli (Vocalist). 2.30 Close Down.

5.05 "Musical Interlude." 5.10 Tora Lesson, by Dr. M. Leibowitz. 5.30 Youth Corner. 7.15 We Present Tonight. 7.18 "Ron Ami." 7.35 Hebrew Language Corner. 7.50 Talk by Yoseph Tal. 8.15 Noah's Ark. 8.55 Bible Reading: Yirmiyahu, Chap. 1. 9.15 Concert by the Kol Yisrael Orchestra. Conductor: Heinz Freudenthal. Soloist: Avigdor Reiss (Piano). Weber: Overture "Euryanthe"; Beethoven: Piano Concerto No. 3 in C-minor, op. 37; Lavry: Symphony No. 3 (Soloist: Zipora Kuppermann — Contr'alto). 10.45 "The Week at U.N." 11.45 Close Down.

SECOND PROGRAMME
427, 468, 224, 48.9 & 33.3 M.

French News: 9.50 p.m. **English News:** 10.00 p.m.

IMMIGRANTS' HOUR: 6.00. Light Music. 6.30 Operatic Excerpts by Ezio Pinza. 7.00 Hebrew-Yiddish Lesson. 7.15 News in Easy Hebrew. 7.30 Yiddish. 8.00 Rumanian. 8.15 Hungarian. 8.30 Ladino. 9.00 Interval. 9.15 Mograbit. 9.30 French. 10.15 Close Down.

KOL ZION LAGOLA (32.3 M.): Programme to South Africa: 6.00 News Headlines. 6.01 Yiddish News. 6.06 The Sheep Shearing Festival. 6.15 "South Africans in Israel." 6.30 News.

Programme to U.K. 12.00 News. 12.15 Songs of Kinneret. 12.30 Easy Hebrew Conversation. 12.45 "Between Man & God."

ARMY PROGRAMME (41.6, 216, 225 & 238 M.): 4.30 Opening. 6.35 Songs. 7.00 News. 7.10 "Bow & Arrow." 7.40 Pleasant Tune. 8.00 "Forbidden talks." 8.15 "Noah's Ark." 8.55 Interlude. 9.00 News. 9.15 News from the records album. 9.45 Dance Music. 10.30 Close Down.

B.B.C. HEBREW BROADCASTS (16.79, 19.42, 16.96 and 21.15 M.): 7.30, 8.00 p.m. News. News Talk. "Arta Chronicle."

TODAY

Premiere Of

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NEXT PERFORMANCE: Thursday, June 13.

Nothing Insane About Albert

IPSWICH, England, Monday (Reuter). — A mental patient who won £30,708 in a football pool has declined the chance of leaving a hospital here because there would be too many "false friends" outside.

The hospital authorities told Albert, who followed up his pools' success by picking the first and second in the Derby, that he could leave by giving 72 hours' notice.

But Albert was quoted today as saying "In the world outside I would find scroungers, hangers-on and false friends. Here I know my friends are true."

Sweden to Meet Italy in Tennis

LONDON, Monday (Reuter). — Sweden qualified to meet Italy in the semi-finals of the Davis Cup European Zone when they gained a winning 3-0 lead over Denmark in Stockholm yesterday. Having won both opening singles, Sweden clinched the match by winning the doubles. Sven Davidson and Ulf Schmidt beat Kurt Nielsen and Torben Ulrich, by 6-4, 6-3, 6-4.

Italy beat Sweden in the zone final on each of the past two years.

France won the doubles against Britain in Paris to keep alive their chance in the quarter-finals. Britain won both singles earlier, but Paul Remy and J. Molinari took the doubles, beating Mike Davies and Bobby Wilson, 3-6, 6-3, 6-1, 6-3.

Italy, the zone champions, completed a 4-1 win over Poland in Palermo to meet Sweden in the semi-finals. After taking a winning 2-0 lead on Saturday, Italy rested their star players, Pietrangeli and Merlo. A reserve, Antonio Maggi, beat Wladislav Skonecki, of Poland, 6-4, 6-0, 6-4, in the first of the remaining two singles. Andre Licis gained Poland's only success by beating Orlando Sirola, who had played in the doubles, 6-4, 9-7, 6-0.

Lodge's 'Reckless' Speech Criticized

LONDON, Monday (Reuter). — Two British newspapers today attacked Mr. Henry Cabot Lodge, American representative to the United Nations, for his reported remarks in a recent speech on last year's events in Egypt and Hungary.

The "Daily Express" said in a leading article that Mr. Lodge had said that the U.N. might have caused the Russian tanks to quit Hungary last autumn but for the "distraction" of the Anglo-French intervention in Egypt. It added "coming from the chief American delegate to U.N. this is an irresponsible statement. It is a reckless attempt to shift the blame for U.N. shortcomings.

"The U.N. not only failed to defend the peace in the Middle East, it even obstructed the efforts of Britain and France, and in that obstruction no man played a more prominent part than Mr. Cabot Lodge.

"It is moonshine to pretend that the U.N. could ever have stood up to Russia, especially after Mr. Lodge had helped to ensure that it could not stand up to Nasser."

The Liverpool "Daily Post" commented, "It is stupid to suggest that without the distraction of events in Egypt world opinion could have been focused on Hungary with far more telling effect, quite possibly causing the Soviet Union to withdraw.

"The stupidity is evident from Mr. Lodge's assertion that the Soviet Union is totally callous to moral values." When, however, Mr. Lodge says that America's stand against Britain and France won such credit in Asia and Africa and that Asian nations came forward in the United Nations more strongly than they ever had before to condemn Soviet brutality in Hungary it becomes clear that Mr. Lodge is mischievously double-thinking.

"Either the Middle East crisis hindered the focusing of opinion against Hungary or it helped. He cannot have it both ways, however, much he would like to prove that America is always right."

Yesterday's Press

Infiltration Must be Stopped

The scheduled meeting between General Burns and Rav-Aluf Dayan, writes **Hatzofe** (World Mizrahi), is probably taking place on orders from a Secretary-General convinced at last that his optimistic statements were only the fruit of wishful thinking and rosy illusions. It may be assumed that the UNEF Chief will be clearly briefed by the Chief of Staff on Israel's views of the attacks, with special reference to the impotence of the UNEF, which should receive new and clear orders to confine the *fedayeen* to their territory and to erect the fence with all speed.

Hamodia (World Aguda) and Davar (Histadrut) stress that Gen. Burns must be told that if he fails to stop infiltration Israel will have to take the initiative to protect the lives of her citizens and to impress upon the Gaza Arabs that Israel blood cannot be shed with impunity.

Haboker (General Zionist) writes that as zero hour approaches and statisticians determine the effect of vegetable prices on the Index, the subsidies fund is brought into play and efforts are made to stem the rise by all sorts of artificial manipulations. That is the same as trying to lower a medical thermometer reading without caring much about the patient's illness itself.

Al Hamishmar (Mapam) condemns the right-wing Press for taking advantage of Mr. Ben-Gurion's admission that more immigrants will necessarily defer our economic independence, to try to undermine the social and organizational achievements of organized labour. Such suggestions will not help to speed up industrial development or to tap new sources for absorption; their only political and economic aim is to maintain the standard of profits.

Ha'aretz (non-party) opposes the demands of the Government Employees Association to introduce summer hours in Government offices because, it claims, that would be tantamount to shorter hours. If the same efficiency can be maintained even if work hours are shortened — some of the workers are superfluous and can be laid off. The paper urges the Government not even to negotiate on this point.

Lamerhav (Ahdut Haavoda) takes a look at the storm raging in Syria and Lebanon and notes that the comings and goings of Arab rulers are only a symptom of deep social tremors. But, for the time being, no national-social revolution is to be expected because the Arabs lack standard-bearers for it.

Kol Haam (Communist) feels sure that the Peace Council session just taking place in Colombo will make an additional contribution to the promotion of peace, especially in the Middle East; and **Herut** greets the opening of the seventh World Betar Conference in Tel Aviv.

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AT THE CINEMA

"THE Mask and Destiny," presented by the Japanese Legation and the Israel-Japan and Haifa Film Societies at the Orly and directed by Namakura, interweaves its themes in counterpoint far more subtly than in "Rashomon." The period is that of the Shogunate, yet we know these men from other histories: the Shogun, susceptible to feminine charms, excelling in all manly sports but a weakling who only redeems himself by his death, and the ambitious nobles intriguing and killing for power.

Pageant, however, is not Namakura's purpose. His second and main theme is the personality of an artist and I take off my hat to this objective characterization. Old Yashao, the mask maker, is despised and maltreated by the strong men; his family appreciates without really understanding him; and his devotion to art renders him almost callous to their affection. Nevertheless, his creativeness unintentionally puts the tangled skein of aristocratic vendetta into motion. The aesthete's nature finally binds him more to his murdered wayward daughter than to the loving one; and, after believing that his last mask is a complete failure, he comes to recognise that artistic sensibility has actually produced his greatest work. I doubt whether any critic can dispute the validity of this analysis.

The luxuriant colour of "The Mask and Destiny" was excellent. It was even better in the architectural short, "Katsura Imperial Villa," showing a famous 16th century house, a note of mellow beauty set by the brown panelling into which the foliage and the grey stone tortoises and lanterns peacefully harmonized. The evocation of the ghosts of the past got the right element of nostalgia for the past. Still, 25 minutes is a bit long for such a short and a little pruning could have been done.

Witty Wilde

SEEN against his 20 years' experience of film making, Anthony Asquith must be considered one of the outstanding directors of the world and a typically national director. That idea comes to mind from his treatment of "The Importance of Being Earnest" (Orly, Haifa). He has understood that Wilde's wit — to which full justice is done — masks a deep-rooted sentimentalism, for how else can one describe the final revelation of John Worthing's origin? The melodramatic touch is paralleled by the conception of the pure woman in "A Woman of No Importance." But this sentiment is just what is needed to round off the evening for the average audience and Asquith leads up to it by getting the essential Wildeana pat, by cutting sharply to keep pace with the script, by never indulging camera angles which would make the plot profounder than it is, and by imparting to his colour that richness which brings out the overcrowding of Victorian rooms and the red of Victorian plush.

To make his film Asquith assembled as capable a cast as he could have possibly found; Michael Redgrave, Joan Greenwood, Edith Evans, Miles Malleson and, low down on the list but since risen to heights on the stage, Dorothy Tutin as Cecily Cardew, the ingenue ward. "The Importance of Being Earnest" is good, vivacious comedy and recommended. *H.*

Cinemas

JERUSALEM
At 3.30, 7 and 9 p.m.

ARNON: Mr. Cory.
EDEN: Ransom.
OHGIL: The Ambassador's Daughter.
ORION: Oklahoma.
ORNA: "La Bella Magnasia."
RON: "Sell For in Strade."
SEMADAR: "Awara".
ZION HALL: A Tale of Five Cities.
TEL OR: New Mexico.
EDISON: Boat Polish.
STUDIO: "Casque d'Or".

TEL AVIV
At 4, 7.30 and 9.30 p.m.

ALLENBY: "Bandido".
ARMON DAVID: "Bellissima".
CHEN: "Elena et les Hommes".
EDEN: "Malaguena Star of Rio".
ESTHER: High Society.
DAN: We Want a Child. Matinees: Driftwood.
MIGDALOR: "Mlord l'Arsouille".
MOGHADI: "L'Homme et l'Enfant".
ORION: "Dunja".
OPHIR: War and Peace.
SHDEROTH: The King and I
TAMAR: Private's Progress. Matinees: A Bullet for Joey.
TCHELET: Queen Bee. Matinees: The Violent Man.
YARON: "Sense".
ZAFON: Madame Butterfly.
ZAMIR: "Tempi Nostri".

HAIFA
MORIAH: The Young Lovers.
ORION: Trapeze.
ATZMON: Tribute to a Bad Man.
PEER: "Le Blé en Herbe."
TCHELET Written on the Wind.
GAL OR: Port of Wickedness. Matinees: Diplomatic Courier.
ARMON: Michel Strogoff.
EN DOR: Mambo.
ORLY: Importance of Being Earnest.
ORAH: "La Bue des Bouches Peintes".
AMPHITHEATRE: Goubbish.
MAY: Run for Cover.

EMERGENCY PHARMACIES

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JAFFA: Noga, near Noga Cinema, 81496. **RAMAT GAN:** Magen, 20 Bialik. **PETAH TIKVA:** Kubo, 2 Pinsker. **NATANYA:** Trufa. **REHOVOT:** Burk, 155 Herzl, 256. **HOLON:** Tikva, Struma Sq.
HAIFA: Schmidt, 45 Herzl, 4041. Arlosoroff.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Grunwald, 22 Yehoshua Bin Nun, 62068. Dr. Romanov, 11 Arlosoroff, 61217. Dr. Shor, 45 Rashi.
TEL AVIV: Dr. Shaham, 1 Syrkin, 25842. Dr. Grifel, 5 Ben Yehuda, 23496. **JAFFA:** Dr. Weinberg, 4 Rehov 65.
HAIFA: Dr. Sherman, 2 Hanevim, 2424.

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מס הכנסה

FOR THE ATTENTION OF EMPLOYERS

The Income Tax Commission draws the attention of employers to the fact that sums paid to workers for travelling expenses to and from their home, or part of them, are taxable.

Employers paying travelling expenses as above should add the amount paid to the salary or wages of each worker and make tax deductions from the total.

•

FOR THE ATTENTION OF INDEPENDENT TAXPAYERS AND COMPANIES

I hereby announce that the deadline for paying the monthly Advance Payment for Income Tax is July 10, 1957.

The rate of payment for independent workers is in accordance with the amount indicated in the Advance Payment Booklet. Companies must pay 25% of the last annual assessment.

Persons who have as yet not made this payment are requested to do so immediately.

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The Weather

FORECAST:	Fair.			
Mt. Cana'an	41	16	26	24
Tiberias	44	21	33	32
Haifa Port	37	21	30	25
Natanya	37	19	27	27
Tel Aviv Kiryа	39	19	27	27
Tel Aviv Port	41	19	28	25
Lydda-Airport	40	16	28	27
Jerusalem	33	14	24	24
Beersheba	—	—	—	28
Edom	42	24	34	34
Eilat	41	21	33	33

*A) Humidity at 9 p.m. 81 Minimum temp C) Maximum yesterday D) Maximum temp expected today

ARRIVALS

Rabbi Harry Simon, of Kankakee, Illinois, Jewish chaplain of the State Hospitals of Northern Illinois, and Mrs. Simon, for a two-month visit, by K.L.M.

DEPARTURES

Mr. Abraham Shalev-Friedlander, on an educational mission to Brazil on behalf of the Jewish Agency Department for Torah Education and Culture in the Diaspora.

Lawyers Protest Courts Bill

The Association of Israel Lawyers has called an emergency meeting of its members in their Tel Aviv clubroom today to consider their opposition to various clauses in the Courts Bill, which was presented last night for its second and final reading in the Knesset by the Chairman of the Law Committee, Mr. Nahum Nir.

The Association is to demand that the Bill be referred back to the Law Committee to amend the offending clauses.

Some 60 minority amendments will be discussed at a forthcoming session of the Knesset.

Representatives of the Association, headed by Mr. Moshe Ishai, claimed at a press conference in Tel Aviv yesterday that the Bill as it stood would "deal a serious blow to the independence of the Courts," by allowing the Minister of Justice to introduce court regulations in cooperation with the President of the Supreme Court.

The Association pointed out that the Minister might be an interested party in proceedings before the court, and felt that court procedure ought to be determined by the courts themselves in accordance with precedent.

The Association spokesmen were at pains to emphasize that their proposals were in no way intended to reflect on the Minister of Justice, nor on his impartiality in fulfilling his duties, but they believed that a loophole which might be abused was being created by an oversight on the part of the legislators.

D. Agronsky Better

TEL AVIV, Monday. — The condition of Daniel Agronsky, son of the Mayor of Jerusalem, who was injured by an Egyptian mine on Saturday, has improved. It is reported by the Tel Hashomer hospital.

THE ENGINEERS Union third conference is to take place in Jerusalem on July 7, it is learned from the Union's Secretariat in Tel Aviv.

Ata Disputants Stand Pat As Histadrut Sees End to Srike

By YA'ACOV FRIEDLER, Jerusalem Post Reporter

HAIFA, Monday. — Despite optimistic expectations in Histadrut headquarters of an early end to the month-old Ata strike, local labour leaders were today still adamant in their insistence that there shall be no return to work before the strikers' demands are met.

On the other hand, Mr. Hans Moller, Ata's General Manager, told *The Jerusalem Post* tonight that there was no change in the management's stand. It rejected the workers' terms, including the new demand for strike pay to be granted by the company. And it insisted on its own demand for efficiency dismissals, he said.

Meetings between the Minister of Labour, Mr. Mordechai Namir, and both sides to the dispute are tentatively scheduled for Wednesday in Jerusalem.

Meanwhile, the local Mapai Secretariat voted last night to endorse the Labour Council's position and its delegates will present this decision at tonight's meeting of the Mapai National Executive. The Secretariat resolved to support the workers' demands "which are based on the policy of the Mapai Centre and the Histadrut Executive."

In Tel Aviv, the Ahdut Ha'avoda Trade Union Department today declared its support of the Ata strikers. It stated that the strike should not have been subjected to Mapai's "internal struggle," which could only hamper a settlement, and called for an urgent meeting of the Histadrut Executive.

During the past few days, the local labour leaders have shifted their front from the Ata management towards the Histadrut Executive and certain Mapai Ministers, who appear to be working for a compromise formula to end the strike.

Already, the possibility of general action by Haifa workers to back the strike and the Council's independent stand is being freely discussed. The Port stevedores, known for their whole-hearted support of the local leadership, have asked the Council to approve a two-hour solidarity strike. On Wednesday the town's Works Committees are to convene to discuss possible action which may include solidarity strikes throughout Haifa.

Since the Labour Council controls such vital work centres as the Port and the Palestine Electric Company, the mere threat of such strikes tends to lend great weight to the Haifa side in its stand before the Histadrut Executive and Mapai institutions.

The Demands

The strike originally broke out over the Ata management's refusal to agree to any of the five demands put forward by the Works Committee. These were:

- Payment of the "frozen third";
- Institution of a pension scheme, linked to the c-o-l index;
- Payment, as part of normal wages, of the yearly good-will bonus of a month's wages that Ata has paid for the past 12 years as the workers' "share in the profits";
- Institution of joint management-labour productivity councils; and
- Certain improvements in the provident fund.

At the same time the workers have a sixth demand, namely, that the Ata management relinquish its request for efficiency dismissals. This has evidently become the main issue and as the Labour Council sees it, "we don't even want to discuss the possibility of such dismissals." A seventh demand now added is that strike pay be granted by the company when the workers return to work.

It is understood that the Council will not insist on the immediate granting of every penny of the increases it wants, but nothing less than an agreement in principle on all its demands will satisfy it.

Meanwhile, various Works Committees are continuing to collect voluntary contributions for the strike fund. Several thousand pounds were donated today. Among the contributors was the poet S. Shalom.

Profiteering Rife In 'Extra' Eggs

Jerusalem Post Reporter

TEL AVIV, Monday. — The continued shortage of eggs is causing a serious rise in prices all over the city. Shopkeepers, reluctant to order the lower grade eggs for which the Government has increased its subsidy, are becoming party to the black marketeering of unsubsidized Grade Extra eggs, for which the subsidy has been discontinued.

Under the pressure of consumer demand, shopkeepers enter the black market instead of stepping up the sale of price-controlled eggs, with the result that the field has been opened up to the speculators.

The Merchants Association, representing over 4,000 retail grocers all over the country, maintains that temporary rationing is the only solution during the period of shortage. Proposals for this interim measure have been dismissed as impractical by the Food Control Board, a spokesman of the Association said today.

Meanwhile, sale of black market eggs is flourishing here, especially in the Carmel Market, where "Extra" eggs are fetching 170 pruta a piece. Grocers in other parts of the city complain that inspectors do not frequent this Tel Aviv bargain centre, where prices are cheaper than elsewhere for products available in abundance, but higher than elsewhere during shortages.

Eshkol Presenting Bill For Housing Loan

Jerusalem Post Reporter

The IL50m. Housing Loan Law will be presented to the Knesset today by the Finance Minister, Mr. Levi Eshkol, the Ministry spokesman announced yesterday.

According to the proposed law, three types of securities will be floated.

The first will be either registered bonds bearing six per cent interest, or unregistered bonds bearing income-tax-free interest at four-and-a-half per cent. The second will be a prize-bearing IL10m. issue similar to the Defence Loan prize bond. The third will be unlinked savings bonds that will mature in five years.

Explore Extent of Bror Hayil Field

Within the coming month, three rigs will begin drilling in the Bror Hayil area, it was learned yesterday. The teams will drill south of Saturday's strike, to determine the size of the oil field.

New oil drilling by the Naphtha company will begin shortly in Tel Ered, near Ras e-Zueira, halfway between Beersheba and Massada, near the Dead Sea.

To Study Textile Plant For Dimona

TEL AVIV, Monday. — The Manufacturers Association has set up a committee to study the possibilities of the establishment of a textile plant in Dimona. Mr. A. Shenkar, President of the Association, nominated the committee today after Mr. Levi Eshkol, Minister of Finance, had broached the subject with him.

The committeed is shortly to visit Dimona together with the Minister of Commerce and Industry, Mr. Pinhas Sapir, to study the availability of transport, water, electricity and manpower.

Summer Camps for 3,000 Haifa Children

Jerusalem Post Reporter

HAIFA, Monday. — Summer camps for 3,000 schoolchildren will be opened by the Municipality next month, with the start of the school holidays.

The camps range from those with attendance all day, six days a week, to those meeting only two mornings a week. For the underprivileged, 1,000 places have been earmarked at nominal fees. Registration has now started.

Registration for summer camps run by the Jerusalem Municipality closes at the end of this week.

Rokach List Slips In G.Z. Voting

Jerusalem Post Staff

TEL AVIV, Monday. — The Berlin-Saphir-Levanon faction has won 25 per cent of the Tel Aviv vote for 190 delegates to the forthcoming General Zionist party conference.

It was followed by the Rokach-Bernstein list with 21 per cent; the Weinstein-Dunsky group with 12.5 per cent; Merchants' list—10; General Zionist Workers—3.5; and Artisans'—4. Three other lists received a handful of votes.

Nearly 5,000 votes were cast by some 50 per cent of those eligible.

While the vote overthrows the previously undisputed leadership of the Rokach-Bernstein group, it leaves unsettled the fate of the proposal that the Party merge with Herut.

The head of the leading faction, Mr. Y. Serlin, is a firm opponent of the merger. On the other hand, surprising support was garnered by the Dunsky-Weinstein group, whose sole platform is merger with Herut.

A stalemate is further likely because of a decision by the Party Executive not to include the proposed merger on the conference agenda.

The election for the 44 Jerusalem delegates was held according to a different system. Votes were cast by 78 per cent of those eligible, reported to number 2,000.

The results were as follows: Young Activists (headed by Mr. Yitzhak Kahanoff), 13 delegates; Jerusalem Centre (Mr. David Siton), 12; Veterans and Landlords (Mr. Shimon Diskin), 11; Immigrants from Europe, 4; Workers Union, 3, and Immigrants from Rumania, 1.

The Jerusalem Centre is in favour of closer ties with Herut while no other Jerusalem list has an official attitude on the matter.

Elderly Persons Hold Convention

TEL AVIV, Monday. — A society with a permanent membership of 120 to co-ordinate activities for the welfare of old people today held its first constituent meeting at Beit Liessin. The Israel Gerontological Society, which has been in existence for less than a year, is supported by the Ministries of Welfare, Labour and Health, Malben, Hadassah, Kupat Holim, the National Insurance Institute and other institutions.

Addressing the meeting, Mr. Mordechai Namir, the Minister of Labour, dwelt upon the problem of finding a suitable occupation for the aged. He said that while old-age pensions were higher in Israel than in many other advanced countries, much still remained to be done for old people.

The Chairman of the Society, Dr. M. Wasser, announced that the Society had affiliated to the International Gerontological Society.

Woman Dies in Fall Under Bus

BEERSHEBA, Monday. — A 29-year-old mother of four was killed this morning in a traffic accident in Arara, northwest of Beersheba.

The victim, Sima Ohayo, was in a crowd awaiting the morning bus to work. When the bus arrived, the crowd rushed for it and Mrs. Ohayo fell under the wheel and was severely injured.

The driver immediately took her to hospital but she died before reaching there.

The driver, Moshe Bo'annos, of Tel Aviv, aged 23, was questioned by the police.

Summer Brings Dysentery

Jerusalem Post Reporter

The number of dysentery cases rose to 344 last month as compared with 93 in April. The Ministry of Health spokesman said this was a normal seasonal rise.

Twenty-five cases of Malta fever, caused by eating infected cheese and milk products, were also reported in May.

Mumps incidence went down to 668 in May as compared with 872 in April and whooping cough to 382 (as compared with 491), measles incidence rose to 2,154 (1,973) and chicken pox to 1,287 (1,218.)

Israel Students Dispute With Moscow Festival Organizers

Jerusalem Post Reporter

The Israel Students Association may cancel its decision to participate in the Sixth Youth Festival to be held in Moscow this summer.

A spokesman for the Association told a press conference in Jerusalem yesterday that a delegation would not be sent unless it was recognized as a separate body independent of other Israel groups represented at the gathering.

Mr Ephraim Halevy said the Association decided in March to participate in the Festival on the understanding that it would send a group of up to 80 members to the students' programme of the gathering.

Subsequently, the Association was informed by the Central Planning Committee in Moscow that arrangements should be made with the "Israel Festival Planning Committee."

This meant that the students would be going within the framework of other groups and not as representatives of the Association, the student spokesman said. "We see the local Planning Committee as part of the Communist Party and we are not prepared to sit down with them to discuss the composition of a delegation of any kind," Mr. Halevy said.

He added that the reply from Moscow, now being awaited, would decide the issue.

Mr. Halevy noted in this connection the deterioration of relations with the International Union of Students, a co-sponsor of the Festival, since the Sinai Campaign. (The Association is an associate member of the I.U.S., which has its headquarters in Prague.) A statement of sympathy with the "struggle" of Egyptian students issued by the I.U.S. Secretariat on November 3, 1956 was not followed by publication of any reply by the Israel Association, although mutual publication of official statements is agreed policy. Furthermore, Israel was not present when the I.U.S. Secretariat voted in March to grant membership to the "Organization of Palestinian Students in Gaza" although Israel was told she would be invited when the question was raised.

In answer to a question, Mr. Halevy said there was no plan at present to secede from the I.U.S.

Joint sponsor of the Festival to be held from July 27 to August 10 is the World Federation of Democratic Youth (composed of Communist youth organizations).

As things stand at present, the Israel Festival Planning Committee and the Pioneer Youth Movements (Ahdut Ha'avoda and Mapam) are sending 100 delegates each to the Festival.

Israel Can Start On JVA—Lowdermilk

HAIFA, Monday. — Major parts of the Jordan Valley Authority scheme can be carried out by Israel without the collaboration of neighbouring countries, Prof. Walter C. Lowdermilk, the American soil conservation expert, told a capacity audience of engineers at a symposium on irrigation and soil and water conservation, held at Technion City today.

Prof. Lowdermilk, who retires this week on the expiration of his U.N. appointment as head of the Technion's Department of Agricultural Engineering, noted that Israel has well under way a dynamic programme of soil and water conservation, but said that much more still needs to be done to bring storm waters and soil erosion under adequate control.

The distinguished expert questioned the advisability of large-scale afforestation from the standpoint of water conservation, since trees absorb and release back into the air water which might be more profitably used for pasture land and crops.

Prof. A. de Leeuw, who succeeds Dr. Lowdermilk as head of the Agricultural Engineering Department, read a paper on "TVA on the Jordan — The Plan in 1948 and Now." Dr. de Leeuw, who has drawn up plans for national irrigation and power projects in Israel, has been connected with the Jordan-Negev irrigation plan for over 20 years. He reported on the Hula drainage, Yarkon-Negev and the Western Galilee-Jezreel Valley scheme.

Papers were also read by Prof. H. Heiman, Dean of the Faculty of Chemical Technology; Dr. I. Rubin of the Agricultural Research Station at Rehovot and Technion Hydraulic Division; Prof. I. Reichert of the Hebrew University and Mr. H. Finkel, senior lecturer of the Technion's Department of Agricultural Engineering.

Hyman Levy Here For Ideology, Mathematics

LYDDA AIRPORT, Monday. — Prof. Hyman Levy, distinguished mathematician and professor at the Imperial College, London University, arrived last night as guest of the ideological seminar of Hashomer Hatzair at Givat Haviva.

During his stay, he will lecture at the Hebrew University and the Weizmann Institute.

Professor Levy recently caused a stir by his outspoken criticism of the Communist Party over the treatment of Jews in the U.S.S.R.

150 Haifa Cinema Smokers Fined

HAIFA, Monday. — The first 150 offenders against the city's latest by-law prohibiting smoking in "public places," were tried by the Municipal Court today. They were fined from IL10 to IL25 each, with the majority having to pay IL20. All were caught smoking in local cinemas, for which the maximum fine is IL100.

The City Prosecutor, Mr. Eytan, told *The Jerusalem Post* that, under the by-law, smoking is also forbidden in buses.

POLES COME FOR HAIFA BAY SALVAGE

HAIFA, Monday. — The Polish vessel Notec has arrived with a number of divers and underwater salvage experts from Poland, who are to survey some wrecks sunk in Haifa Bay.

They came on the invitation of a local contractor, Mr. G. Steinberg, who last year signed a contract with the Port Authority for the salvage of two British and one Turkish wreck in the Bay. He intends to sell the salvaged materials for scrap.

Mr. Steinberg approached the Polish Commercial Attaché a short time ago with a request for help from Polish salvage experts. He had previously been unsuccessful in negotiations with local experts.

Holy Mass at the Russian Cathedral in Jerusalem, yesterday being conducted by the Greek Orthodox Archbishop Athenagoras of Sebastia, from Jordan (left), and Metropolitan Isidoros of Nazareth and Exarch of Galilee. Photo by Chris Eljou

Russian Clergy Mark Pentecost

By CHRIS ELJOU

Ushered into the Russian Orthodox Cathedral by red-fezed Kawasses (Turkish bodyguards) the Russian Archimandrite Pimen, Chief of the Russian Orthodox Mission and Head of the Moscow Patriarchate in Israel, yesterday officiated at the Holy Mass marking the Feast of the Holy Trinity in Jerusalem.

The Holy Liturgy was conducted jointly by Their Graces Archbishop Athenagoras of Sebastia, who crossed the lines from Jordan for the celebration, and Metropolitan Isidoros, Archbishop of Nazareth. Both wore golden robes and golden sceptres. Hymns of the Liturgy were sung by the Ein Karem choir of black-robed Russian nuns.

Russian, Greek, and Arab Orthodox worshippers came from all over the country to attend the service.

The Holy Mass was followed by a colourful procession thrice around the Cathedral led by 25 Russian, Greek and Arab Orthodox Archimandrites from the parishes of Lydda, Ramle, Jaffa, Galilee and Mt. Tabor.

Among the congregants attending the ceremony were the Soviet Ambassador, Mr. A.N. Abramov, the Soviet Consul, Mr. V. Smirnof, and diplomatic representatives of Poland, Yugoslavia, Hungary, the Greek Diplomatic Representative Mr. P. Pandermalis, the British Consul-General in Jerusalem, U.N. officials, and other members of the diplomatic corps, as well as emissaries of the Russian Palestine Society and Academy of Sciences in Moscow. Foreign clergymen and heads of the Armenian, Coptic, Abyssinian, Maronite, Greek Catholic and the Church of Scotland and Y.M.C.A. were also present at the ceremony.

The Deputy Mayor, Dr. Paul Ya'acobi, Knesset Members and Government officials joined the celebrants at a reception given afterwards by the Russian Mission. The Russian Ambassador chatted amiably with the guests. Vodka and caviar were served.

The service was broadcast over Kol Yisrael.

Archbishop Athenagoras will tour Galilee before returning to Jordan.

We regret that the headline to our news item in yesterday's issue on the Pentecost services in Israel, inadvertently contained the word "Jordanians" instead of "Franciscans."

Interior Minister Asks Power To Restrict Bathing

Jerusalem Post Knesset Reporter

The Knesset yesterday passed to the Internal Affairs Committee a Bill to Amend the Public Bathing Places Ordinance, which was presented by the Minister of Interior, Mr. Israel Bar-Yehuda.

The bill authorizes the Minister to forbid bathing in parts of the seashore, rivers or lakes which he believes to be dangerous to health or safety.

(In Tel Aviv, yesterday, the Municipality hoisted a warning against swimming far out to sea because sharks have recently been sighted off the shore.)

A wide variety of subjects were raised in the debate — from stricter supervision of swimming pools (Mr. Y. Rifflin, Mapam) to separate bathing facilities for men and women (Mr. Y. Katz, Poalei Agudat).

Confused Authority

Mr. Ezra Ichilov (General Zionist), who moved the return of the bill to the Government, charged that the bill would lead to a confusion of jurisdiction. The local authorities and the Minister of Health already possess all the necessary authority to protect public health and safety at bathing places, he said.

Several other speakers agreed that there was no reason for giving the Minister of Interior jurisdiction over these matters. They were Mr. I. Harari (Progressive), Mr. I. Rokach (General Zionist), Mr. H. Landau (Herut), and Mr. D. Hacohen (Mapai). But only Mr. Ichilov and Mr. Z. Susayeff (G. Z.) voted to return the bill to the Government.

In his reply, Mr. Bar-Yehuda said that public swimming pools come under the jurisdiction of the Health Ministry.

Illegal Fees

He said that some municipalities were violating the law by closing off part of the seashore and charging a fee for the privilege of bathing. Fees could be charged only for services, and the Ministry would continue to fight against this practice.

Mr. Bar-Yehuda said that the demand for separate bathing facilities for men and women was a legitimate one, provided these facilities were in addition to those for mixed bathing.

The Knesset yesterday passed to the Economic Committee an amendment to the Electricity Law which authorizes the Minister of Development to issue instructions regarding the electrical apparatus used by State authorities. Such apparatus was exempted under the original law.

Knesset Approves Group Passports

In order that applicants for passports need not wait more than three weeks, the Passport Department has borrowed a number of employees from other departments in the Ministry, the Minister, Mr. Israel Bar-Yehuda, told the Knesset yesterday.

He was speaking in connection with an amendment to the Passport Law, which permits the issuing of group passports, for the convenience of persons travelling together to the same place for the same period. The bill also permits the issuing of one passport for two or more minors.

Mr. Gershom Schocken (Progressive) proposed that passports be issued for five years instead of two. Mr. Bar-Yehuda saw no reason for making a change.

The bill was passed to the Internal Affairs Committee without opposition.

Sinai Battle Blamed For Egg Shortage

The current scarcity of eggs results from the temporary shortage of fodder after the Sinai campaign. This has led to a 15 per cent reduction in the number of laying hens, Mr. Pinhas Sapir, Minister of Commerce, told the Knesset yesterday.

Replying to a question by Mr. Israel Rokach (General Zionist), Mr. Sapir said that 168,000 tons of fodder had been ordered since January, of which 70,000 tons had already been received. He was certain that this would restore the previous situation as regards eggs.

Government Undecided On Joining German Fairs

The Minister of Commerce and Industry, Mr. Pinhas Sapir, confirmed in the Knesset yesterday that the West German Government had invited Israel to participate in trade fairs in that country. No decision has yet been taken, he said.

Mr. Sapir was replying to a question by Mr. Israel Rokach (General Zionist), who asserted that the Government must take the nation's feelings into account and not let economic factors be the only consideration.

Village Girl Completes Kasim Victims' Testimony

Jerusalem Post Reporter

The 21st — and final — Kafr Kasim villager to appear for the prosecution before the Military Tribunal trying 11 Border Force policemen for the death of 47 villagers on October 29 testified yesterday. With the completion of this evidence, the Court publicly thanked the Army translator, Rav-Samal Daniel Daniel, for his work.

Aluf-Mishne Michael Shaham is to testify today on the curfew order, followed by other Army officers. The prosecution hopes to complete its case this week.

Hanna Suleiman Amar, 16, who was wounded and left for dead, told of arriving in Kafr Kasim in a truck with 13 other women and four men, including the driver.

A soldier shouted "Halt, dog, and get off." The driver helped everyone to alight. Hanna noticed a jeep with a radio transmitter behind the truck. Then fire was opened, she said, and they were sprayed with bullets.

She fell unconscious, wounded in the left leg and the top of the head. She was later taken to hospital where a "smashed bone" was removed from the top of her head. She has partially lost control over the fingers of her right hand.

Mr. Yitzhak Orren, counsel for Segen Gavriel Dehan, asked her why she had not mentioned the jeep in her statement to the interrogating officer. She said she had.

After some hesitation, he submitted her statement as evidence.

Aluf-Mishne Benyamin Halevi, reading the statement, asked her: In the hospital you said that after the soldiers shot the first time, they dragged you aside with the others and then shot the wounded. Is this true?

A. — Definitely.

Q. — Why didn't you tell us this now.

A. — I am tired and my head always aches.

The first witness yesterday was Sara Muhammed A-Babi, 35, who identified the dead from pictures taken after their death.

Zaki Jobrin Issa, 38, a member of the Kafr Kasim Local Council, was also asked to identify the pictures and check them against a list of names.

He stated that two persons officially listed as dead were still alive, i.e. the bodies had been incorrectly identified at the time.

Mustafa Mahmud Issa, 24, told of returning on a truck with 18 or 19 persons. At the entrance to the village, they saw a shepherd shot and a young boy fired upon.

A jeep with four persons came up, however, and escorted the truckload of men safely home.

The trial will continue this morning.

15 Communists Freed in Iraq

BAGHDAD, Monday (Reuter).—Fifteen prisoners serving sentences ranging up to seven years for Communist activities were released from Iraqi prisons yesterday under a royal decree. All had given written pledges renouncing Communism.

Thirty people convicted of Communist activity are still in prison.

S. AFRICAN PIONEER ZIONIST HONOURED

TEL AVIV, Monday. — Mrs. Rebecca Zuckerman of the Capetown Bnot Zion and active in Zionist work in South Africa since 1901 was honoured at the Wizo Mothercraft Training Centre here yesterday when a ward was dedicated in her name.

Mrs. Zuckerman, who recently celebrated her 80th birthday, was represented by her son and daughter-in-law, Mr. and Mrs. Herzl Zuckerman, of Tel Aviv.

Mrs. Rebecca D. Sieff, World Wizo President, unveiled a plaque in Mrs. Zuckerman's honour over the door of a ward for 18 infants.

Chava Bloch Yad Yagil (Stiassny)
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Economic News from Abroad

Shortage in Equities

● Pension funds are rapidly becoming the major source of equity capital on the London Stock Exchange, as a result of their expansion and the recent trend to switch over to equity investments. The existing 2,000 privately administered pension schemes own something like £1,700m. in assets. Gilt-edged make up 33 per cent of this total, other debentures 13 per cent, ordinary shares 27 and preference shares 10 per cent. The funds are growing at a rate of some £120m. a year. At present they hold only five per cent of all the ordinary shares in Britain, but should the average proportion of equities rise to 40 per cent, they would have to purchase some £480m. in shares during the next five years, which is almost equivalent to the total value of the new ordinary shares issued in Britain over the last five years.

French Energy in 1975

● French economic planners hope to make their country self-supporting in her energy requirements by 1975 although at present she imports 39 per cent of her energy in the form of coal or oil. These additional requirements are the equivalent of 42m. tons of coal and are expected to double within the next 20 years. However, nuclear energy is to provide 24m. tons of coal equivalent by 1970 and the Sahara will supply an equal amount in oil. By 1975 these energy sources are to yield 40m. tons of coal equivalent each.

Shipping Prospects Favourable

● The favourable conditions of world shipping in 1956 are expected to continue throughout 1957, mainly due to the high level of world trade and in particular to heavy American exports. The sharp rise in world shipbuilding in the recent past has mostly been in tanker construction, while passenger and cargo tonnage is not being greatly expanded and demand may even be outstripping supply.

Tax Cuts Favour Spending

● Recent American statistics indicate that the U.S. economic upswing has levelled off. Neither production nor gross national product have advanced above their stand in the last quarter of 1956. Car production and sales remain disappointing and residential construction has declined. However, so far there has been no sign of inventory accumulation while prices have been increasing, in particular in the steel industry, and some experts feel that the position will force commerce and industry to rush re-orders shortly and thus give a new fillip to business activity. Consumer spending has also been somewhat higher than previously supposed, apparently because the public is expecting a cut in taxation to follow the recent reductions in the federal budget.

India Leads in Taxes

● Upon the advice of N. Kaldor, the renowned Cambridge economist, India will be the first country to introduce an expenditure tax, to be levied on all persons whose assessable income exceeds £4,500 a year, and on all expenditure above £1,800 a year plus an allowance of £375 for each child. The expenditure tax comes on top of the ordinary income tax — in itself one of the world's highest. In addition, a wealth tax ranging from 0.5 to 1.5 per cent will be introduced on net assets of more than £15,000 and even on companies with net assets of more than £37,500 (at a standard rate of 0.5 per cent). Moreover, excise taxes (on sugar, cloth, petrol, tobacco, paper, etc.) have been raised considerably, in order to provide the means for carrying out India's ambitious five-year development programme.

No Plan in Finland

● The devaluation of the Finnish mark suggested by an economic council as a cure for the country's creeping inflation has been rejected by the governor of the Bank of Finland. The trade unions have also refused to abandon their right to cost-of-living allowances, which was to be an inherent part of the economic stabilization scheme. Meanwhile the volume of savings continues to decline in spite of the "linked" deposits adopted by many banks.

FOREIGN CURRENCY BUDGET

ON the face of it, the new foreign currency budget estimates — for the current financial year — do not differ materially from the actual performance in 1956/57. The fixed part of the budget is balanced at $519m., as compared with $522m. spent last year (somewhat above the original estimate of $490m.). To be sure, there is now an additional tentative budget of $58m. for special capital projects, but its implementation is conditional upon the provision of adequate funds by way of foreign investments or credits.

Upon closer look, however, this conservative facade reveals several important shifts and grave problems, and perhaps the most eminent, though the public has noticed it least, is the rapid rise in Israel's foreign debts. These amounted to a gross $598m. by the end of 1956, an increase of $157m. since the end of 1964, though most of them were in long-term commitments.

To a large extent, this is the natural consequence of expenditure for the Sinai campaign, for while the original estimate for 1956/57 provided for $51.5m. in repayments and reserves, all of it was eventually swallowed up by rising consumption which included an additional $45m. for "Government Agencies."

Debt repayment will now be resumed ($38m. besides $20m. for interest and commission), but the net indebtedness is nevertheless bound to rise, if development is to proceed at a pace that meets the needs of mass immigration more or less. Indeed, should the tentative ("B") budget fail to materialize, capital items will not exceed $97.5m., i.e. less than even in 1955/56, although the sum includes $15m. in prepayments on account of future Reparations deliveries.

It is worth recalling that we are going this way at a time when Reparations are still flowing in, when the U.S. grant-in-aid still amounts to $50m. (half in cash and half in kind), when we are getting another $50m. a year from personal compensation payments, and when income from Drives and Appeals is expected to reach an annual $89m., i.e. almost twice as much as two years ago.

Moreover, the budget already takes it for granted that exports will reach $130m. — as compared with $102m. in 1956/57 — and income from our invisible exports: shipping, El Al, tourism, etc. will amount to another $56m., i.e. again a rise of 10 per cent. Yet, to attain these targets, every nerve will have to be strained even if no change takes place for the worse in such factors as the wage level, for instance.

The popular explanation for this course, which will eat heavily into the large stocks accumulated last year, is mass immigration. As a matter of fact, the higher level of world commodity prices and cargo freights also accounts for $39m., but our export earnings are similarly aided by this trend. On the other hand, the progress of home production is to result in a saving of no more than $12m., and the average rate of added value in exports is not expected to reach more than 48 per cent, against 54.5 per cent in 1956/57. Thus all that an advance of almost $29m. in total exports will earn us is a mere $7m. net in foreign currency — and this too will be largely non-convertible.

Sophistic though this statement may sound to the layman, it can be traced to the simple fact that most of the export increase is accounted for by industrial products with a relatively low added value (diamonds, cement, tires, metal goods, cloth, pharmaceutics), because we have not yet succeeded in developing exports of agricultural and mining products which are most valuable from the national point of view.

This is, however, due to such factors as the low productivity of our labour, faulty management, excessive handling and transport costs, soaring domestic consumption, etc. Rain or shine, mass immigration or none, we cannot escape from these economic problems.

Controller's Report on Companies

By DAN BAVLY

THE sums of IL256.5m. and $20.5m. have been invested by the Government in the 39 government corporations reviewed by the State Controller in his report presented to the Knesset yesterday afternoon. At current prices these investments are valued at IL402.5m. and account for 75 per cent of the total investments in these companies, the rest having been provided by non-governmental capital.

There are 67 pages to the corporations report, and they consist of three chapters plus statistical data. The bulk of the report describes how foreign governments control their corporations and how the Controller thinks they should be managed in Israel; he believes that the Knesset should give more attention to the Reports, and also draft a more specific law providing for controls.

The Israel Government has more interests in public corporations than most non-communist states. It takes part in the investment and management of six large corporations developing this country's natural resources, including the Dead Sea Works and phosphate mining. It has a hand in industry and handicrafts, through its control of the Electric Corporation, Fertilizers and Chemicals, Maskit, and other companies.

In agriculture the government is helping to develop citrus and tobacco, as well as to reclaim the Hula marshes. El Al air transport and the Transport Services heavy trucking company are both controlled by the State, along with Amidar, the largest housing company in the country, and several smaller housing organizations.

Many Enterprises

In trade the Shilumim Corporation, the Shekem Company and Delek are only a few of the government's interests. The State controls important financial enterprises including the Bank of Agriculture, and of course the Bank of Israel. Mif'al Hapayis is under State control like the Tourist Corporation. The government's representative sits on the Acadia Hotel's Board of Directors, and although this is not mentioned by the Controller, the State is also the owner of the Incode Meat Company.

There are 17 small funds which the government manages along with another 22 small institutions, which the Controller does not even mention by name.

This is an impressive list, but the Controller's report does not show that all these companies are fully and efficiently managed or controlled either by him or by any other organization. And although there is room for improvement in the State Controller Law of 1949, the Controller does not indicate that he fully utilized his prerogatives even under the existing law.

Under paragraph 7, section 6 of the Law, the Controller may audit any enterprise, institution, fund or other body which is aided directly or indirectly by the Government. Other sections of the Law emphasize how the Controller will carry out his audit, which applies to the corporations just as broadly as to government departments, although the Controller has made much less use of it in this field.

Shortage of Auditors

For this maze of Corporations, the State Controller could spare only 25 officials. It is understood that the Palestine Electric Corporation alone has twice that number of interior audit officials.

The report, which does not deal with all 100 Corporations, emphasizes that the 39 that it describes are the largest and account for approximately 90 per cent of the total investments made by the Government in these Corporations.

However, it does not describe the development of the companies during the period under review, but limits itself to recommending a more concrete method for control without going into any of the problems which so many of the public corporations have met in the last few years.

Thus the Controller gives no opinion about the Dead Sea Works, in which approximately IL30m. have already been invested, although a few months ago a special committee appointed by the Minister of Development last year presented a report on serious mismanagement at the Works. The Controller neither approves nor disapproves of the report; he simply ignores it.

The government has invested almost IL1m. in the Accadia Hotel. Although it did not close until after the end of the fiscal year under review, the Controller could have given some attention to the investment and its merits in some part of the report.

There are other cases of irregularities or problems that are well known to the many who come into contact with various government companies. In some the senior bookkeeper is also the cashier of the company, while in others there are technical irregularities. Public corporations, being business entities, do not necessarily have to be taken apart in public like some of the government's activities that are annually discussed by the Controller. This, however, is no reason why the Controller, in the 10th year of the State, should not have supplied the Knesset with a clear picture of how the government corporations are controlled, and how efficient their management is.

Nor does the report try to explain why a large number of the corporations under discussion show losses. While it is possible to find considerable statistical data on the activities of these 39 corporations, there is no sign that the Controller tried to find out what their profit-and-loss limits are. The Controller does not think he should let both the Knesset and the public know why such a large number of Government Corporations are showing net losses in their balance-sheets. He definitely suggests no ways of improving this situation.

To a certain extent it is the Knesset which is to blame for the lack of information that it has heretofore received from the State Controller. It has spent very little time on his reports and not even the Finance Committee has really studied his reports closely.

The fact remains, however, that huge government investments have remained uncontrolled by the Knesset and the State Controller, although most of the investments in these companies were made at least five years ago.

Israel's economy cannot develop at the pace which it has kept up since the inception of the State without a large number of mistakes being made; but if these mistakes are to be repaired and others avoided in the future, someone must bring them to light. This has not been done by the State Controller in any of his reports on public corporations.

The only industrial enterprise in Kfar Shmaryahu, the Tenne Noga Dairies, has become an integral part of this charming village. Tenne Noga are pioneers in the production of sterilized milk which, in factory-sealed bottles, keeps for an unlimited period without cooling. With the assistance of the Government and UNICEF, new machinery will be installed to increase the daily output to 100,000 bottles. This will bring sterilized milk to all parts of the country. Eilat already drinks sterilized milk.

Rassco Village's 20 Years

Jerusalem Post Reporter

THOUGH Kfar Shmaryahu was preceded by several other Rassco villages — such as Nahariya and Beit Yitzhak — it was here that the special type of middle-class settlement was established and applied successfully for the first time, said Dr. Y. Foerder, Rassco's General Manager, at the village's 20th anniversary celebration last week.

The time that has elapsed since then has amply shown that such settlements are viable entities both economically and socially, and would be carried on and developed by the next generation. While they maintain full individual management and initiative in farm production, they accord a predominant role to cooperatives in the field of supply and marketing, and — in a way — also in the rural community's social life.

Rural Pattern

The middle-class settlements have thus become part and parcel of this country's rural pattern and one of Israel's contributions to modern settlement practices. By now we have 45 villages of this type with a combined population of some 14,000 and production that accounts for about a fifth of the value of our total agricultural output. Moreover, this type of settlement is called on to play an important part in absorbing middle-class elements among new immigrants.

However, Kfar Shmaryahu is also an example of the transformation that takes place in middle-class settlements exposed to the impact of nearby urban life.

Though the population of the village has risen to almost 1,000, the number of farms is only 80, including five part-time farmers. Several farms consist of 50-60 dunams and more (partly leased) and due to high capital investment and specialization the farmers have trebled their milk output and increased their egg production eight times since 1940. Recently they have been expanding the fruit plantations. The local cooperative (storage and processing of fodder, hatching eggs etc.) employs 25 people, and the big Tenne-Noga dairy another 40, mainly from outside the village.

However, the great majority of Kfar Shmaryahu's population are townspeople who prefer to live out in the pleasant village on a green hill facing the sea. The settlement's northern section comprises some of the country's most handsome country homes and a series of more or less modest villas, but all of them have little in common with their farmer neighbours and depend upon Tel Aviv for their livelihood as well as their purchases and social amenities. The local council is now endeavouring to develop the empty stretch of privately held land that still separates the new sections from the old, but even this will hardly help to overcome the deep social differences.

Pamaz Subsidies Raised

By Our Economic Editor

WITHIN a matter of weeks, the State's "participation in lowering production costs" (which is the standard euphemism for export subsidies) has been raised from 500 pruta to 850 pruta per dollar's worth of foreign currency earned. An exchange rate of IL2.650 per dollar has thus been recognized as approximating the real parity of Israel currency.

Since most imports are still paid for in foreign currency allocated at the official rate of exchange (IL1.800 the dollar), importers are in for very substantial windfalls that will greatly exceed the normal profit margins in the home trade and in particular in export industries.

In these circumstances, the growing scramble for import licences, often for goods of definitely non-essential nature, is understandable, as also is the manufacturers' persistence in supporting the Pamaz system which enables exporters to become the suppliers of import commodities for the home market, though at an exchange rate higher than the official one.

Cumbersome System

On the other hand, it is this situation which has prompted the trade authorities to revert to the cumbersome system of special import charges and equalization funds, in order to scoop up the additional profits and thus neutralize the dangerous import preference of our economy. In this context the increase of direct export premiums also comes to obviate the necessity of extending the Pamaz system, which renders the subsidy element less controllable and often wastes foreign currency.

Pamaz subsidies have played a major role as export incentive during the past four years, but their part has varied considerably at various times and as between different industries. An approximate picture has been drawn in a recent research paper by Y. Honigbaum, some particulars of which have been published in the third annual report of the Falk Project.

According to Mr. Honigbaum's findings, in the years 1954-1955 the imports from Pamaz funds amounted to a total of $18m., of which $7.75m. were "net earnings" representing goods that could be sold in the domestic market. The proceeds of these sales allowed importers to earn a total of IL9.65m. above what would have been the official rate of exchange, making an additional IL1.240 per dollar on the average. To appreciate the importance of this additional income as an export fillip, one must of course bear in mind that there was no "participation in lowering production costs" at the time, and that direct export premiums were not introduced until 1956. Even then, they were given at a rate that was less than half the above average of Pamaz earnings. No reliable figures have been published about Pamaz profits in 1956, but one gets the impression that while a slight decrease may have taken place, the average amount is still well beyond the rate of our present — increased — direct premiums.

The Pamaz subsidy was highest for food exports, reaching IL2 per dollar (i.e. an exchange rate of IL3.8 the dollar) in 1954-55, and lowest for tire exports — only IL0.2. It was IL0.7 per dollar for plywood, IL0.75 for chemicals, IL1.35 for textile and clothing, IL1.2 for metals etc. In each case the connection of the imported goods with the export commodities in question was more or less loose.

By relating the Pamaz subsidy to the total of the goods imported from Pamaz funds — including raw materials, semifabricated goods, spare parts etc. — one arrives, of course, at much lower figures. The average rate of subsidy to a Pamaz dollar was then IL0.54. The highest rate was again in the food industry (IL0.8), closely followed by leather and footwear exports (with IL0.75) and by textiles with IL0.64. The rate was lowest in the tire industry (IL0.1) and in chemicals, metals and plywood exports (IL0.3 to IL. 0.4). This premium of 30 per cent (on the average) over the official rate of exchange was, however, achieved by means of imports of various commodities at prices which were often several times as high as abroad when compared at the official rate of exchange.

Immigration Brings 'Boom' Conditions

By Our Economic Correspondent

THE new immigration which is now arriving in force might well be a turning point in our economic development. Used as we are to miracles, we take it as a matter of course that the supply of skilled people, which slowed down to a mere trickle during mass immigration from Oriental countries, should now be with us again in full force. It is, however, a mercy that the arrival of professional workers of every sort should enable us to make up for the deficiencies in skilled manpower which have developed during the past few years.

There are signs that the Jewish Agency, which looks after the newcomers during the first period, is well aware of the assets concealed in this new immigration. Scientific institutions are competing to secure for themselves the services of top people among those who arrive here. The furious pace at which housing schemes for these immigrants are launched and pushed ahead is also a sign that the authorities realize the importance of providing minimum amenities for such people. It is doubtful, nevertheless, whether the need to preserve all this immigrant skill carefully is yet fully appreciated.

The task is, of course, very difficult. Housing is not always to be had where the jobs are, and there is not sufficient coordination between the various agencies that are concerned with advice and organization. Everything must be done to bridge over this difficult interval. A case in point is the housing scheme in the kibbutzim, which is behind schedule and makes it very difficult for the immigrants and their hosts to make the necessary arrangements without too much difficulty.

Attention has centred mainly on the professions, but there are also many artisans among the immigrants whose skills are invaluable. If we try to handle them individually we could fill many of the gaps which have troubled our managers and small producers.

Objective Information

The most important thing in advising immigrants of this sort is to give them objective information. There are already tales of people who claim that they were told by emmissaries of our authorities on the ship that Dimona, for instance, was a new but quickly developing town, and that they were misled about living conditions there. If we want these people to go to outlying places we should tell them all there is to be told about conditions there, or let them see for themselves. Straightforward information will save disappointments and the unnecessary drifting of immigrants between various regions.

The impact of the new immigration is not felt only in the supply of skilled people. It is also in the makings of a new boom. During the last few months we have not only overcome the results of the Sinai campaign but also found ourselves in a new period of prosperity.

The entrepreneur does not worry about a shrinking internal market any longer. He is again able to sell and to make a profit. New activity in the building trade has done away with the threat of unemployment among building workers, and all the industries connected with housing are picking up speed. This process is likely to continue as the new housing schemes get into stride. At the same time, the demand for semi-durable goods is likely to go up as people furnish their new flats. All told, we are again witnessing the old Israel phenomenon of a new immigration wave making for boom conditions. The people who appear as consumers do not exert maximum pressure on the labour market as yet, nor have they begun to produce, and their needs are covered by money from outside.

We should, however, not forget the fact that this boom does not stem from developments within the economy but from outside; that the purchasing power which is injected in the internal market has not been produced here; and that the boom must therefore taper off once capital for the financing of this new immigration wave gets scarcer. What is more, a sharp repercussion can be avoided only if we succeed in shifting over into productive occupations the manpower which is now channelled into building and other industries that cater to immigrant needs.

It is not yet clear what these productive channels are to be. The rough division between agriculture and industry that was adumbrated by the Minister of Finance does not tell us much about detailed production plans. It will be these plans, however, which will decide in the last resort whether we will be able to make these new immigrants self-supporting in the full sense of the word.

Tnuva Opposes Milk Subsidy

IN the eight months through May last, milk deliveries to Tnuva dairies totalled 68m. litres, i.e. a rise of 10 per cent compared with the corresponding period a year ago. Sales of liquid milk accounted for 62 per cent of total supply, and over 60 per cent of this was distributed in bottles. When the bottling plants in Haifa and Jerusalem start working shortly, milk distribution in churns will be negligible.

One important result of bottling has been a marked improvement in the milk's quality. The acidity and purity controls, coupled with premiums for high-standard produce and fines for sub-standard milk, which Tnuva introduced last year, have produced the desired effect.

The higher quality of the bottled milk, as well as the fact that it cannot be diluted by the distributor, seem to be the main reasons for the unexpectedly favourable response of the consumers, who pay the higher price readily. In fact, it is only since the bottling scheme was put into operation that the decline in *per capita* consumption of liquid milk has been arrested, though no rising trend is discernible as yet.

A full 38 per cent of the Tnuva milk supply were processed in the past eight months. These, however, included the seasonal glut period. Forty-five per cent of the processed milk went into soft cheeses which had to be sold at relatively low prices in order to compete with the cheeses produced from cheap milk powder. An attempt to utilize skim milk as a subsidiary material for producing cheeses from milk powder resulted in a net loss to Tnuva, because the controlled prices for these dairy products are kept at an artificially low level — as a c.o.l. index stratagem — while dairies are left to recoup the loss by selling part of the milk powder allocations at a profit of 200 to 300 per cent.

Tnuva butter is similarly controlled at the wholesale level, though recently retailers have often been charging a higher price over the counter. Danish butter is to be imported shortly by Amizan and sold at IL9-10 a kilo as compared with the IL5 fixed for the Tnuva butter.

At the recent Tnuva council meeting, Mr. Verlinsky reported a rapidly growing home market for high-quality dairy products even at prices that were substantially higher than the present official ones (for poorer qualities). By allowing milk producers to earn more for their dairy products, the Government could possibly reduce the milk subsidy which it pays to farmers, which amounts to 25 per cent of the retail price of liquid milk. A subsidy at such a high rate is no good for the respective industry, said Mr. Verlinsky. It should be reduced as soon as possible and the production of dairy products from milk powder should be stopped instead during the milk glut season.

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Stocks and Commodities

Oil Shares Rising Sharply in Tel Aviv

THE news of the Bror Hayil II oil find reached the "curb" on Friday morning and sent Israel Oils Prospectors shares up sharply from a low of IL10.750 on Thursday to IL12.500 on Friday. Further good news brought the level to about IL16.- on Sunday morning, but it closed at noon at about IL14.500 and IL14.750. On Monday, the price closed at IL13.500. It is easily understood that this oil find has not caused such excitement as the first one at Heletz, and the present level of the L.O.P. shares shows that no big speculative deals are being undertaken, with more caution exercised by investors.

Jordan Exploration hardly advanced at all, while Naphtha shares were harder at around IL1.600 as against IL1.450 earlier in the week. In New York too Israel oils shares had been slightly better on Friday, with Pan Israel Oil at 7/8 and Israel-American Oil at 2¼, before Bror Hayil news reached the market.

On the Tel Aviv Stock Exchange business was lively during the four-day week (the Exchange was closed on Shavuot and on the day of Dr. Barth's funeral), although Defence Loan premium bonds and the 4% per cent were slightly lower, as well as other dollar-linked securities. C.o.L.-linked bonds showed a very small advance.

In the equities section, Ata, Kurdaneh and Moller were about one point harder, with Africa-Palestine and I.L.D.C. continuing their downward trend. Isras debentures advanced by 2½ points, while Palestine Brewery debentures receded by 2 points. Delek shares fluctuated heavily and closed at around last week's level.

Foreign Securities

WITH the simplification of procedure in dealings in foreign securities between Israelis, some more transactions were reported, the premium remaining within reasonable limits. It is significant that very few of the foreign currency holders are prepared to part with their "Tamam" accounts, while on the other hand Israel investors are not prepared to pay excessive premiums on foreign securities derived from "Tamam" accounts.

Gold Buoyant

THE outstanding feature of the London market was the strength of gold shares. The revival in this section began with the good Rand returns for May and was stimulated further by news of the exceptionally high reef values reported by St. Helena. Sentiment in the industrial section was helped by news of the rise in personal spending in 1957. In the bright oil shares section Shell reached £10.- for the first time.

Reuter's Daily Index for Industrials was 236.1 as against 231.2 and for Kaffirs 69.4 as against 66.3 last week.

Paris Firm

THE Paris bourse was firm and active with foreign and domestic oils featuring dealings. Kaffirs too showed some good gains. Among the unofficial exchange rates the dollar receded from Ffrs.409.- to Ffrs407.-. One kilobar of gold stood at Ffrs.475.000- and the Sovereign at Ffrs. 4,220.- also slightly lower than last week.

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Tel Aviv Stock Market

JUNE 10, 1957

Pop. Loan 1949/69 (11.10)	94
4% Comp. Loan 56/61	77
2½% Comp. Loan	68½
3½% War Loan 54/59	95
Pal. Bearer Bds. Ser 3	91½
5½% Tavel Dollar x)	77½
4% Reg. Sterling "A"	92½
Def. Loan Bonds f)	96½
4% Def. Bonds f)	98½
6½% Def. Bonds g)	100½
4½% Loc. C. Debs. f)	39
6½% Loc. C. Debs. g)	102½
Pal. Elec. pref. sh (1 dn.)	250
6½% Bonds 57/64 f)	105½
ditto g)	113½
Keren Hayesod	
6½% Deb. 58/65 f)	101½
ditto g)	106½
Igroth Ltd.	
6½% Deb. 58/65 f)	99½
Rassco 6½% Deb., 58/64	
Class "A" f)	101½
Class "B" g)	108½
Bk. Leumi ord. sh.	153
Bearer Savings Cert. '59 a)	90½
A.P.B. Investment	
4½-6% Conv. Deb.	73½
Ord. sh. 'B' reg. d)	96½
Gazit ord. sh. 'B' reg.	94½
Ellern's Inv. ord.	147
Gen. Mortg. Bk. ord. sh.	77
Bizur 4% debs. 58/65	85
Nir 5% pref. sh.	93
Pass 4% debs. 60/64 reg.	78½
"Isra" 5% debs.	79½
Afr. Pal Inv. ord. sh.	89½
I.L.D.C. ord. sh. reg.	74
5 % debs.	72
Rassco 6% pref. ord. sh.	88½
Ata ord "B" sh.	9
6-8% con. debs.	84
"Kardaneh" ord. "B"	89½
7% con. debs. 58/68	78½
Moller-Dan ord. sh. reg.	850
Pal.-Brewery 8% con. debs.	87½
Assis Bejarano "B" sh	98
Nesher 6% debs. "A"	117
Pal. Potash "A" ord. Sh.	69
"Teva" ord. Sh.	89½
Pal. Cold St. ord. sh. reg.	160
Delek Ord. sh. "C"	94
Pal. Centr. 8% debs.	94½
Mekorot pref. sh.	78
Jordan Exploration Co. Ord. Sh. reg	182

Notes: a) purchasing price: b) selling price; c) ex coupon: d) ex-dividend: e) ex-right: f) linked with $: g) linked with C.o.L.: x) in % of IL1.800.

STATE OF ISRAEL
Ministry of Education and Culture
Hebrew Language Campaign

JEWISH AGENCY
Absorption Department
Ulpanim Division

One Month Course

For the advanced study of Hebrew will be opened at Ulpan Borochov, Givatayim.

The course is intended for professionals, clerks, officials in public institutions and others who must improve their knowledge of the language.

The One Month Course enables students to:

- Enrich their vocabulary and knowledge of Idiomatic Hebrew
- Improve their oral and written language
- Correct basic spelling errors

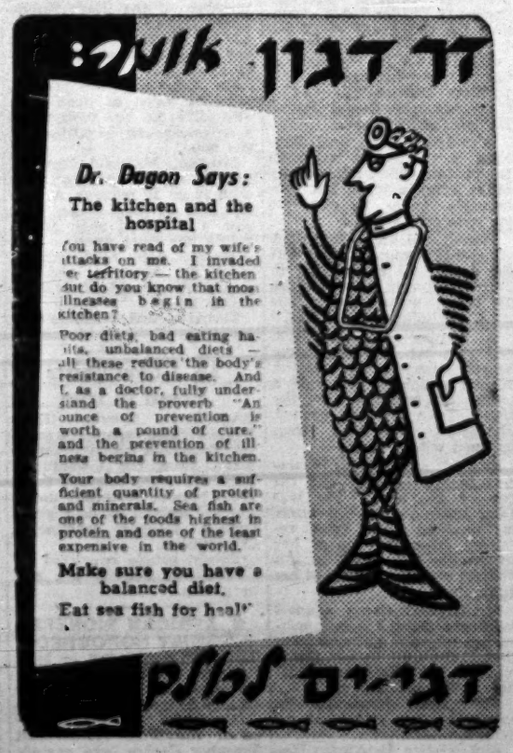
Participation fee: IL80 including full board, tuition fee and cultural activities.

Registration: Ulpanim Division of the Jewish Agency, 49 Rehov Aliya, Tel-Aviv, District offices of the Ministry of Education and Culture, 67 King George Ave., Tel. 62516, Jerusalem; 6 Rehov Auerbach, Tel. 82351, Jaffa; 16 Rehov Habankim, Tel. 67541, Haifa; Tel. 106, Beersheba.

BI-MONTHLY COURSE — for advanced study of Hebrew will open at Ulpan Borochov, Givatayim, on August 1.

Participation fee: IL40 including full board, tuition fee and cultural activities

Spend your annual vacation studying Hebrew in a pleasant atmosphere.



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